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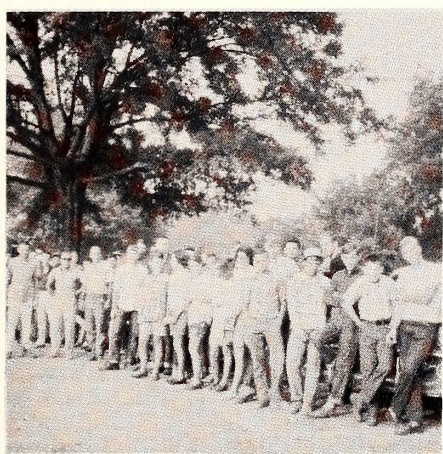
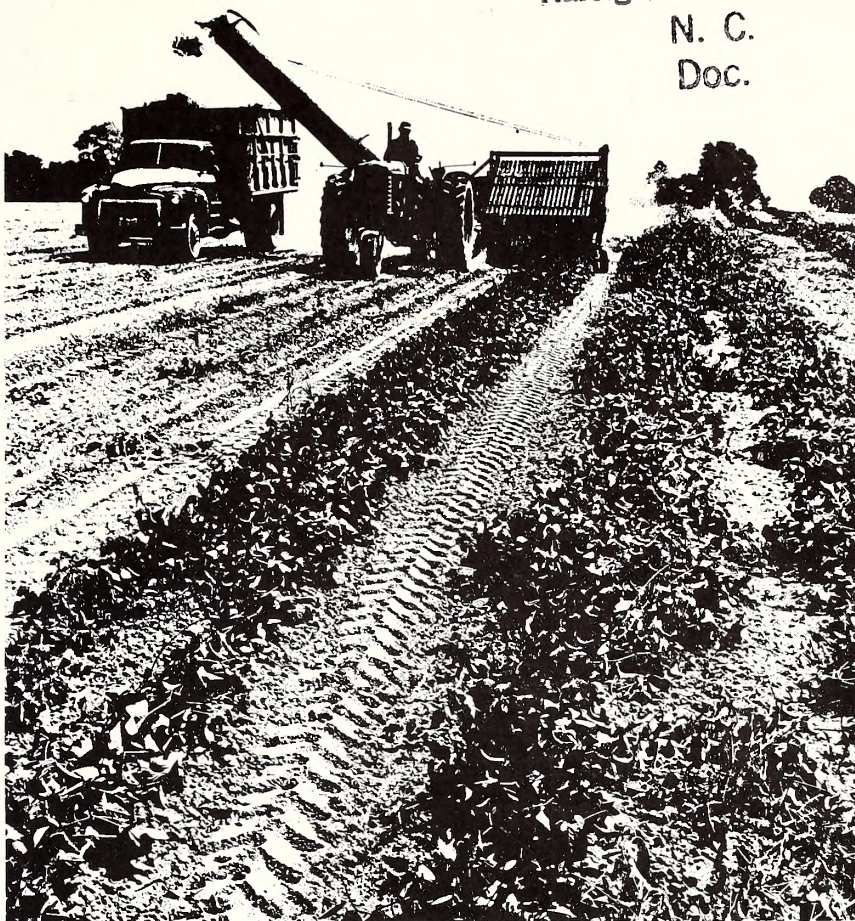




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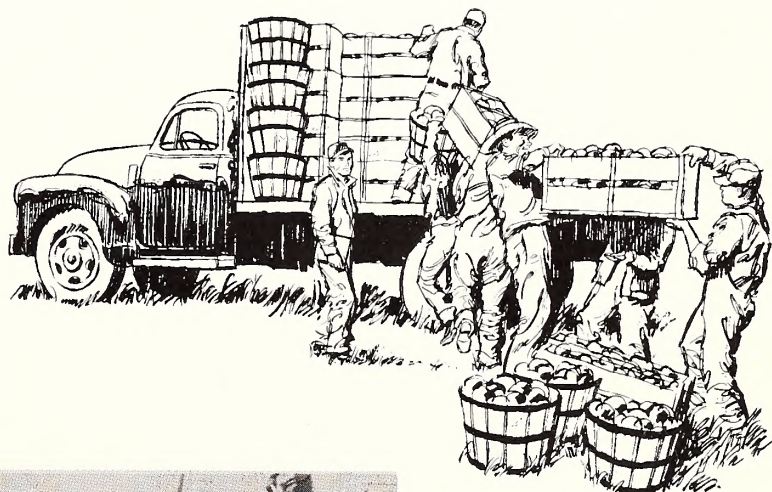
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THE  
ESC QUARTERLY  
VOLUME 27 NO. 1-4

FARM LABOR EDITION







KENDALL

## CHAIRMAN'S COMMENTS

HENRY E. KENDALL

*Chairman*

*N. C. Employment  
Security Commission*

This issue of the ESC Quarterly updates the magazine of perhaps a decade ago that featured the farm labor division of the Employment Security Commission.

During the ensuing 10 years, the division changed its name to Farm Labor and Rural Manpower Services, and a lot changed besides its title. Primarily engaged in the recruitment and placement of farm workers, ESC rural manpower specialists have broadened their activities to include many services which were normally available only through State Employment Offices. The concept of service to rural people has taken on new proportions and men with lifetimes of farm placement experience are now making non-agricultural job placements, counseling job applicants, contacting armed forces veterans, referring applicants to supportive agencies and are working with rural industries.

The State's Farm Labor and Rural Manpower Service, which is one of the nation's best, has diversified its activities during the past five years to an extent far greater than we imagined at the beginning of the 1960's.

In the decades since the end of World War II, we've seen the heyday of industrial development in North Carolina, yet the State is still one of the United States' predominantly agricultural areas. North Carolina produces practically all farm commodities, and is the nation's leading tobacco producer. Because of automation, mechanization and improved farm management, the need for farm labor today is less, measured in numbers, but the need for precise placement at exact times in specified locations is no less, and the performance of this function for Tarheel growers is still our Farm Labor and Rural Manpower Services' primary responsibility.

In other areas of Employment Security Commission activities, the State may have new unemployment insurance regulations when the current General Assembly concludes its session. Bills introduced would increase coverage to employees and employers, bring coverage to some State workers for the first time and increase the wage base subject to taxes. A story on page 12 describes how the State must conform with federal unemployment insurance statutes.

Computerization has come to job placement. The nation's public employment system is now using an innovative approach to job matching and job referral. Called "Job Bank," this relatively new system is installed and operative in a number of Employment Service offices across the nation. In North Carolina, Job Bank is being operated in Greensboro and serves five additional offices. Designed for almost instantaneous response to applicant inquiry, Job Bank capitalizes on the electronic techniques of data processing and provides employment interviewers in the six offices a daily printout of job availability. The manager of the ESC office in Greensboro gives us the story on page 36.

# THE ESC QUARTERLY

Volume 27, No. 1-4, 1971

Issued at Raleigh, N. C., by the  
**EMPLOYMENT SECURITY COMMISSION  
OF NORTH CAROLINA**

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The Employment Security Commission administers two major State programs — Unemployment Insurance and the State Employment Service. The Employment Service provides expense free job placement to ap-

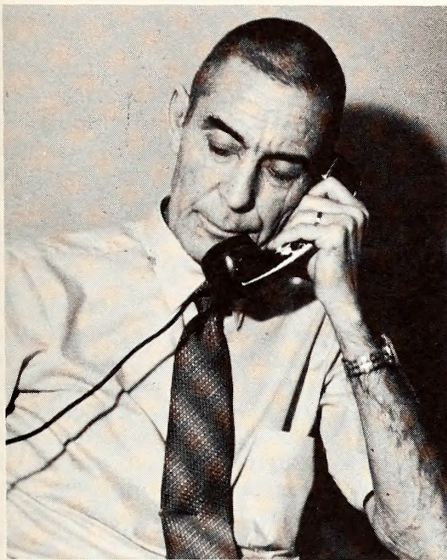
plicants through 60 local offices of the Commission. Unemployment insurance covers approximately 1,600,000 workers in North Carolina, providing them with benefit payments in case of involuntary unemployment. The Unemployment Insurance program is supported by payroll taxes contributed by approximately 45,000 Tarheel employing companies, firms and corporations. The Commission has operated since the mid '30's when it was established by the General Assembly as the Unemployment Compensation Commission.

Each state has a similar agency. Combined they give nationwide administration of unemployment insurance and employment service activities.



COMMISSION'S FARM LABOR AND  
RURAL MANPOWER DIVISION SERVES . . .

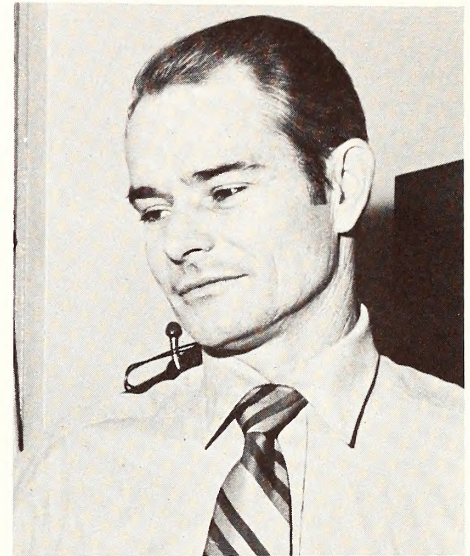
NORTH CAROLINA'S "GREATEST INDUSTRY"



**HOMER BUNN**  
Assistant Supervisor



**TOM ADAMS, Supervisor**  
Farm Labor and Rural  
Manpower Services



**TOMMY RHODES**  
Assistant Supervisor

The Farm Labor and Rural Manpower Service Unit is a part of the Employment Service directly under the Assistant Employment Service Director who reports to the Employment Service Director. The Farm Placement Supervisor is responsible to the Assistant ES Director for planning, organizing, directing, coordinating and controlling the Farm Labor Service, the Woods Program (including forestry), and Rural Human Resources Development. There are two Farm Placement Assistant Supervisors and a Secretary who report to the Farm Placement Supervisor. The Assistant Supervisors are each responsible to the Farm Placement Supervisor for all phases of the Farm Labor Service, the Woods Program and Rural Human Resources Development services. Through this line of supervision, six Farm Placement Representatives II are assigned supervisory areas by the Farm Placement Office.

Each of the one hundred counties in the State is assigned to one of the six supervisory areas. The Farm Placement Representatives II have forty full-time Farm Placement Representatives I, one ES Interviewer II, one ES Interviewer I, three Interviewer-Stenographers, one Stenographer and one Typist II under their direct supervision. In addition, they have functional supervision over one designated staff member in each local office in their area, who is assigned first-line duties in the Farm and Woods Program. The Farm Placement Supervisor, assisted by the two Farm Placement Assistant Supervisors, are responsible for planning, organizing, directing, coordinating and controlling a comprehensive Rural Manpower Service in seven assigned counties. These counties are Currituck, Camden, Jones, Hoke, Pender, Brunswick and selected agri-businesses in Pasquotank. North Carolina has few large

metropolitan areas. The State has a population of over 5,000,000 people, but less than 2,000,000 live in metropolitan areas. According to ASCS figures, there are about 246,000 farms in the State and the crop land totals 7,800,000 acres. The need for farm labor and woods services has continued to increase for many years and the trend is expected to continue.

North Carolina continues to be atypical to the nation in that the number of seasonal farm workers is not declining at a rapid rate. Adult workers are being replaced by youth workers and farming is still North Carolina's greatest industry. The reasons for continuing need for large numbers of seasonal farm workers are:

1. Tobacco production has not been mechanized to any great extent and it is a very high labor using crop. The allotted flue cured acreage is stable at about 400 thousand acres.

2. Most mixed vegetables are



produced for the fresh market and are mostly hand harvested.

3. Cucumber production has increased drastically. Blueberry production and mixed vegetable production are gradually increasing. These are heavy labor using crops.

4. Thousands of acres of recently reclaimed muck land is coming into the production of heavy labor using crops.

5. Apple production is increasing at a rapid pace in western counties.

6. Trellis tomato production is increasing rapidly in western counties.

According to the State Forestry Service, it would require 2½ to 3 million man-days for tree planting and 6 to 7 million man days for hardwood control to put North Carolina woods land in good condition. This need continues to exist in spite of the excellent progress made in the past three years. The State Forestry Service supplies the Farm Labor Service with copies of all tree seedling applications

received during FY 1970. Applications represented over 40 million seedlings. During FY 1971, the State Forestry Service expects the number of seedlings to be planted will increase to over 50 million. (This does not include many seedlings to be supplied by pulp growers and paper companies.) The local Farm Placement Representatives call on people ordering seedlings and offer assistance in getting workers to plant the tree seedlings. Many growers have stated they would apply for more tree seedlings next year since we have good prospects for getting the workers to plant them. Many farm labor crews were placed to transplant seedlings in FY in 1970 and the number of crews employed in woods activities in FY 1971 is expected to increase. Pulpwood production must be drastically increased to meet the fast growing demand.

In North Carolina, non-agricultural industry is moving into many areas where farming has been predominant. Textiles, furniture, electronics and chemicals are the main industries moving into farming areas. In the Mount Olive area, new plants have been constructed by Burlington Industries and Boling Chair Company. In the Washington area Texas Gulf Sulphur has been in operation for over four years mining phosphate. Many plants in rural areas are expanding. In Brunswick County, plant construction now underway for a number of industries totals between 400 and 500 million dollars. These industries will provide employment for an estimated 3,000 workers and responsibility for all Employment Service in Brunswick County has been assigned to the Farm Labor Service. Wages paid seasonal farm workers usually are not competitive with wages paid in non-agricultural industry and this contrast in wages increased the difficulty in recruiting farm workers.

Farm workers continue to leave farm work for more lucrative jobs at a rate of about 12,000 each year and more young workers must be recruited

(See FARM LABOR, Page 44)

## Radio Speeds Farm Labor Placement In Eastern Counties

When farm labor representative Buster Precythe had a two-way radio installed in his Toyota, the auto shop in Wilmington making the installation not only ruptured the little car's brake-line but drilled two, quarter-inch holes in its gas tank.

"Shoot!" said Buster.

It was the only miscue, however, in a relatively new program which has proven to be one of the most unique farm labor services in the nation. Operating out of the Employment Security Commission's Mt. Olive rural manpower office, Buster and 22 other farm labor interviewers have two-way radios installed in their personal vehicles which permit them to converse with each other over thousands of square acres of farm land and with their base station.

Using radio communications, the men locate and place workers on farm jobs quicker and with less expense, providing a more expedient service to local growers, and the system has performed so well that the Mt. Olive transmitting-receiving station is the third unit installed by the Employment Security Commission in North Carolina explicitly for its rural manpower division.

North of Mt. Olive, in the vast lowland farming areas of Pasquotank

and Perquimans Counties, state rural manpower representatives are old hands at radio techniques. The first rural manpower transmitter-receiving service in the United States, the Elizabeth City transmitter, was installed five years ago.

The second base station was subsequently installed in Washington. Today, the three stations—Washington, Mt. Olive and Elizabeth City—provide radio communication for nearly 30 rural manpower placement interviewers covering practically the entire eastern portion of North Carolina.

Within the nation's manpower, farm labor and the recruitment and placement of it, is the most critical to the employer because it must be sufficient, efficient and timely. Farm workers have to move from farm to farm, from county to county, and between states. Workers have to be at a specific farm to harvest a particular crop when it ripens. The weather can either hasten a harvest or delay it, and no portion of American labor is so dominated by weather conditions.

In a typical year, 100,000 farm workers will be in the productive eastern counties of North Carolina, planting and then harvesting every crop in the State's agricultural economy—from pine seedlings to cucumbers—and the Employment Security Commission's communication system between base stations and mobile units provides almost instant contact between growers and workers.

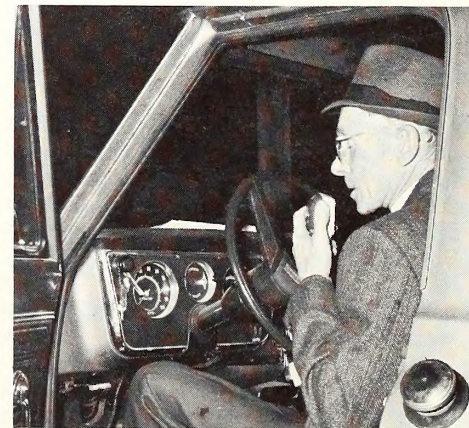
Indeed, the immensity of eastern Carolina farming instigated the system.

Vegetable growers in the Elizabeth City area, many measuring crops in the hundreds of acres, began utilizing citizen-band mobile units on their farm during the early 1960's. Pleased with the cost and time-saving features of on-the-farm radio communications, they requested the Employment Security Commission to make available a similar system to the men who

(See RADIO, Page 44)



S. B. Seymour talks with . . .



. . . Supervisor Bill Riddick





Riddick

## SMALL AREA-BIG PRODUCER

The Elizabeth City Farm Placement and Rural Manpower area consists of the three most northeastern counties in North Carolina. Currituck, Camden, and Pasquotank Counties were established as early as 1672, being of the oldest in North Carolina. Currituck and Camden are predominantly rural while Pasquotank has the City of Elizabeth City with a population of 15,000. Agriculture, livestock, forestry land development, and manufacturing make up the way of life in the rural area.

Northeastern North Carolina continues to be in a state of transition with our food production being limited only by an over-abundance. Crop production has increased 100% over the past decade. The farm popula-

tion now comprises about 15% of the total. All of us, rural and urban residents alike, are the recipients of the remarkable growth of the agricultural production plant. We are, therefore, the recipients of an expanded and dynamic research program along with an increasingly educated farm population with the skills and wisdom to implement the research results of the professional educator's dedication to change.

There are 1250 farm operators in the area of nominal size, averaging 350 acres of cultivated land. Farm units have increased 100 acres each during the past ten years and are expected to continue to increase with advance knowledge and farming techniques.

All of the soils are capable of pro-



Seymour



Woodhouse



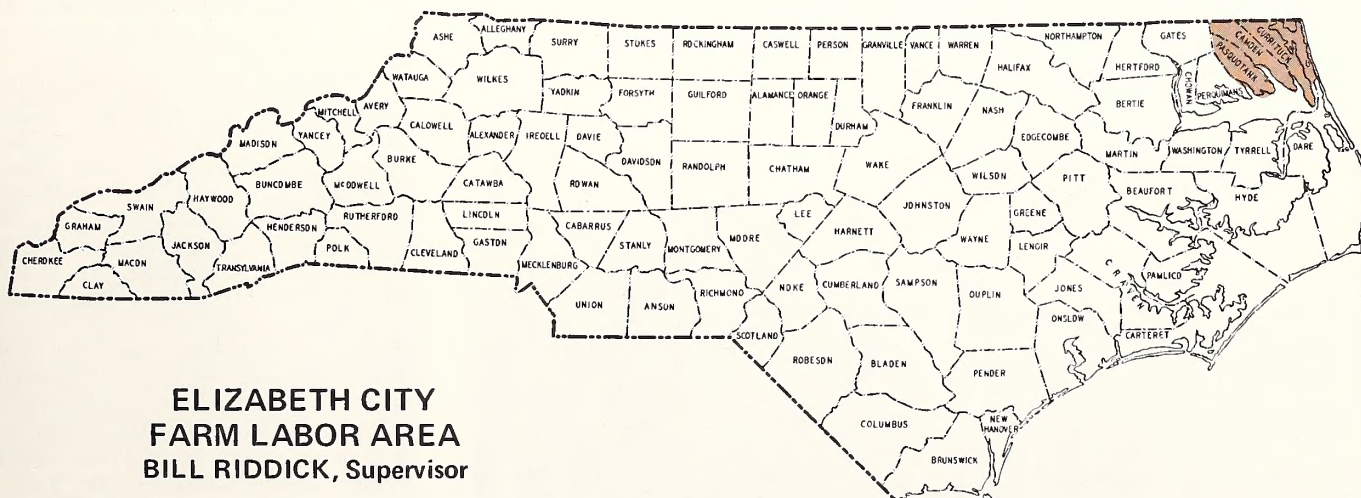
Berry



Forbes



Alexander



**ELIZABETH CITY  
FARM LABOR AREA**  
BILL RIDDICK, Supervisor



ducing high yields of superior quality produce. Climate and adequate rainfall is another of the area's assets in food production. The area can sustain two crops a year and this is practiced on 50% of the cultivated land.

As crop production increased, harvest potential had to be taken in consideration. The Farm Placement and Rural Manpower Service has increased in its activity along with mechanization. Each county in the area has a Farm Labor and Rural Manpower Office with two representatives to serve the county. These county representatives will give a complete story of the activity in his area and the part he serves in making agriculture what it is today.

#### PASQUOTANK COUNTY

D. M. Alexander  
and E. T. Berry  
Farm Placement  
Representatives I's

Pasquotank County, one of the smaller counties in North Carolina, is geographically located in the north-eastern part of the state. Its largest single industry, by far, is agriculture. It is the largest Irish potato producing county in the state and ranks among the top three counties in the country in the production of cabbage.

Two farm placement representatives, E. T. Berry and D. M. Alexander, are charged with complete responsibility for all agricultural activity in the county; as well as non-agricultural responsibility to selected industrial codes, selected by the State Employment Service Director, within the city of Elizabeth City and the county. Assisting with paper work is a part-time Neighborhood Youth Corps student who receives weekly instructions from the farm placement representatives in manual procedure and record keeping.

Categorically, all activity at this site consists of service to persons engaged specifically in the business of agriculture, to persons directly or indirectly associated with agriculture



In an early morning mist, workers in the Camden area harvest cabbages by the thousands. The rich soil of our uppermost coastal plain counties provides bountiful vegetable harvests and farms are sized in hundreds, even thousands of acres. Farm labor crews are vital to growers, and State farm labor men have worked the area for over 30 years.

in an agri-business endeavor, and in the business of forestry and forestry products, all of which we shall consider as rural manpower. For the sake of simplicity, future reference will be made to only two divisions, namely the agricultural and non-agricultural programs, the forestry activity being a part of the non-agricultural program.

Services rendered under the non-agricultural program are many and varied, and compare with the activities of any local office with the exception of unemployment insurance claims taking, counseling, and training which are not a part of this operation.

Applicants for employment are interviewed by either of the farm placement representatives, and all pertinent information is noted and

recorded on the application. After a thorough examination of all the facts, a determination is made of the applicants' qualifications for employment. A sincere effort is made by the farm placement representatives to place each applicant in a position best suited to his abilities and where his potential optimum earning capacity may be reached.

When reviewing applications and interviewing applicants, the farm placement representatives are always alert for any noticeable handicaps, and attempts to ascertain whether or not the applicant is in need of counseling or training. Whenever this need arises, the individual (whenever he will accept same) is referred to the counselor in the local office.

Orders from non-agricultural employers are accepted as a result of employer demand or solicitation regardless of whether they are for permanent or short time employment. Files are checked thoroughly to determine availability of applicants to fill these orders. Whenever necessary, a recruitment program is practiced by the farm placement representatives, and very often assistance is requested from the local office. Their files and walk-in applicants are made available. Daily service is available to non-ag employers during regular working hours, and visitations are made as often as time permits. Telephone contacts to employers are made whenever the same will suffice in lieu of a visit.

The farm placement representatives work very closely with the North





Carolina Forestry Service and with the lumber and forestry industry in the area making surveys as to intentions to plant pine seedlings and in recruiting and referring individuals and crews to accomplish this purpose. This operation generally occurs during winter months when most agricultural labor has a minimum amount of employment and serves the needs of both labor and the employer to an advantage. During the summer months when farm labor is most active, the farm placement representatives conduct a recruitment program among available college students to secure individual applicants for referral to woodland owners for the purpose of inoculating existing hardwood trees in reseeded or recently set forests. This operation requires considerable determination and stamina on the part of the employee. Consequently, the farm placement representatives must be very selective in their referrals.

Pasquotank County has approximately 56,325 acres of productive farm land devoted to the production of small grains and row crops. Of this total, approximately 5,000 acres are in small grain, 18,000 acres are in corn, 23,000 acres are in soybeans, 50 acres are in peanuts, 50 acres are in cotton, 75 acres are in sweet potatoes, 4,500 acres are in Irish potatoes, 350 are in sweet corn, 50 are in lettuce, 1,250 are in spring cabbage, and 4,000 are in fall cabbage. It might be interesting to note that all small grain, spring cabbage, sweet corn, and Irish potato acreage are double-cropped, being followed with soybeans or fall cabbage. The farm placement representatives are charged with full responsibility to all producers of each of these crops; however, the production and harvest of small grain, corn, soybeans, and peanuts are practically 100% mechanized and require very little seasonal labor. These crops, therefore, do not make any great demands upon the time of the



Fresh from cutting, cabbages are packed in the field and delivered to market, some growers using sacks, others preferring crates. In spite of mechanical endeavors, hand labor continues to be the best method of cutting and packing cabbages.

farm placement representatives. The small acreage devoted to cotton and sweet potatoes is hardly significant. Nevertheless, producers of all the above-named products receive identical consideration in the offer of services with other producers.

The harvest of Irish potatoes has become very much mechanized during the past decade, but there is still some field work required in this harvest, especially as concerns the red-skin varieties. Grading and packaging has experienced very little change over the past few years. There has been a definite trend toward an increased amount of shipping point packaging of consumer type packages which in itself required an additional amount of labor to operate packing facilities.

Transplanting of spring cabbage and lettuce plants has remained relatively unchanged over the years. Almost all plants are set by hand and the few transplanters in use require as much labor as hand setting. Fall cabbage are directly seeded into the row and the advent of precision planters and the ever increasing use of herbicides have somewhat reduced the amount of labor required for spacing and weeding. Nevertheless, this operation continues to be one of the most labor consuming activities requiring the services of the farm placement representatives.

Cabbage harvest, both spring and fall, continues to be a problem, and a considerable amount of planning and forethought goes into each season in order than an adequate amount of labor is available to harvest the crop and also to assure that there is not a surplus of unemployed labor. The farm machinery industry has been and is doing a considerable amount of research toward the production of a satisfactory mechanical corn crop harvester. However, at this writing nothing really satisfactory has come out of these endeavors. Several pilot units have been tried in this area but results have been that more labor is required to package behind a harvester than is required to cut and package in the conventional manner. Agronomic



research and development has brought about some radical changes in fall cabbage production over the past few years. In the 1950's, production consisted of a domestic type and a Danish type cabbage. The domestic type was early maturing. Harvest began early and was completed before the late maturing Danish had reached maturity, thus the fall harvest season was spread over a period of about 12 to 14 weeks normally. At the present time, the entire crop is made up of hybrid varieties which mature very rapidly and the entire peak season lasts only from five to seven weeks. The average yield per acre from these hybrid varieties is 13 tons, whereas the domestic and Danish varieties' yield would never exceed 7.5 tons per acre. It can readily be seen that the demand of producers on the farm placement representatives today far exceeds the demand of ten years ago.

Sweet corn harvest and packaging remains almost 100% dependent on hand labor. In 1970, one sweet corn harvester was purchased and used in the area, but here again it failed to prove to be a labor saving device since additional packing house labor was required to turn out the finished package.

The farm placement representatives are constantly alert to the needs of both workers and employers in the area which they serve. A documented record of all activities of the farm placement representatives is maintained in the Weeksville trailer. They maintain a continuous survey of labor supply and needs, and when not keeping office hours in the trailer are always in contact with each other and with the Elizabeth City Farm Office through the use of mobile radio equipment, thus enabling them to perform a better quality service to all the people in their area.

An ever increasing demand upon the time and energies of the farm placement representatives makes a total impossibility of maintaining a 40-hour work week. A considerable amount of overtime hours are a necessity if adequate and complete



Indispensable Katrina Bateman mans the farm labor office in Elizabeth City and operates the base station communications.



service is to be rendered. During peak seasons, the farm placement representatives are in the trailer and available to the public at 6:00 A. M. and remain in the area of operation as late in the afternoon as is necessary to accomplish the purpose for which they are assigned. During these times, Saturdays and holidays are no different than any other work day.

During the 1970 calendar year, the farm placement representatives made a total of 667 non-agricultural placements and a total of 89,521 agricultural placements; of the total agricultural placements 4,964 were individual selections.

There has been a definite trend in agriculture over the past several years toward larger acreage being operated by individual producers and fewer persons operating smaller farms. In other words, the large are getting larger and the small are getting out. It is our opinion that this trend will continue to the point that what, ten years ago, was considered a big operator will in the not too distant future be considered a small potato in the barrel of agriculture. This is an economic must since the unit cost of production must be competitive in order to meet consumer demands and still have a fair margin of profit for the producer. The only way this can be accomplished is by mass production whether it be through cooperative effort or through individual efforts on the part of producers. The migration of these displaced, small farm families into the metropolitan areas and their inclusion in the potentially available industrial labor force will continue until such a time as this potential becomes saturated to the point that no additional persons can be accepted. Hopefully, we will never reach this point in our future economy.

#### CURRITUCK COUNTY

H. C. Dozier & O. L. Woodhouse  
Farm Placement Representative I's

Currituck County's economy has historically been based on agriculture. The county is divided into two parts when we examine the crops planted. The northern part of the county is planted in corn and soybeans, while the southern part is truck farming, consisting of potatoes, snap beans, and cabbage; all require in part man labor to plant and harvest.

Added to our farm program of Currituck County, we have hog projects. Farmers are growing and mixing their own feed. This also requires man labor.

Currituck has several restaurants and motels located from the northern end to the southern end of the county which require and use local labor year-round. A crab factory has just opened midway our county that has provided work for local people.

During the rush harvest season we do not have enough local labor to supply the demand. At this season we have to depend on migratory labor for help. The efficiency of hand labor in some crops has not been met by mechanization.

Ten years ago (1960), migratory labor was at its peak in Currituck. Through mechanization and automation this is no longer the case today. The migratory labor force ten years ago numbered 2,400 people being housed in Currituck. This force picked 100% of the snapbean crop by hand. This year the migratory force housed in the county numbered only 75 persons. The snapbean crop was harvested 100% by machines, supplemented by local day-haul labor. Currituck County is going through a transitional period and the change and reduction of migratory labor being used is an explicit example of this change.

Farm placement has a very active part in working with crew leaders and growers to promote and render adequate service to both local and migratory labor. The farm placement representatives visit with the various groups, with school type discussions of the changes in social security, hour and wage laws in fairness to all employers and employees regardless of social or political standards in the county.

Community services are offered to the migratory workers while in the county. Local church buses and school buses pick up children and all people interested. Better relationship is noted between local and migrant workers. A child care center is operated at the Union School at Maple.

We are constantly on the lookout for H. R. D. (Human Resources Development) applicants and handicapped people. We will also make every effort to promote employment for these people.

In our opinion, agriculture all over the United States has been changing over the past ten years, but farmers and businessmen dealing with agriculture today are having a tremendous change. So Currituck County has been and will be affected more. Ten years ago approximately 200 potato, cabbage, and bean farmers populated Currituck County. Now they number around 20. Corn and soybean farmers fight against 100 or more plant diseases a year.

The commodity price to the farmer against the cost of producing has changed farming. The greatest overhaul of federal farm supports is now being studied in Washington, D. C. Congress will be urged to phase out current programs and make changes.

Currituck County has several advantages and its people have and are changing with the tide. We are only

about 55 miles from Norfolk, Virginia, a large metropolitan area with many job openings. Dare County to the South with its beaches and many motels and hotels. We have water on either side of our county which makes for good recreation, hunting, and fishing.

Today with about one-fourth of our county farmers of yesterday, we still have to use manpower in labor regardless of its denomination.

A look into the crystal ball for the next 20 years, we can foresee Currituck County becoming a backyard for Virginia and all waterfront land developed into subdivisions for recreation and second homesites, and very little agriculture enterprise by the 20th year.

#### CAMDEN COUNTY

R. L. Forbes &  
S. B. Seymour, Jr.

Farm Placement Representatives I's

The Camden County area consists of approximately 69,600 acres of land. There are approximately 39,000 acres under intensive cultivation at the present time and more woodland being cleared and placed under cultivation every year. Weyerhaeuser Company alone has cleared 5,000 acres and will clear 5,000 more acres in the same location. This acreage could possibly go even higher. Several other farmers are clearing more land to enlarge their operations.

The major crops and acreages are: 20,000 acres of soybeans, 14,000 acres of corn, 2,500 acres of white potatoes, and 500 acres of spring and fall cabbage. The remainder of the land is planted in cotton, sweet potatoes, peanuts, snapbeans, and small grain. There are approximately 210 employers in the agricultural, non-agricultural, and woods program to be served by the two farm placement representatives. There is year 'round activity in the agricultural and non-agricultural programs.

Most of the crops which are not mechanized are harvested through the Camden County Farm Labor Office. There is one central day haul point at Camden, and all job orders and placements are coordinated from this point, the Camden trailer.

Camden County is a rural county and is supported through and by agriculture. The people who live and work in Camden County depend on agriculture for their livelihood.

The crops that require labor are harvested by local crews. The crews usually consist of a crew leader and from 10 to 75 workers. The crew leader provides transportation to and from the job and provides on the job supervision. Most of the people in these crews are socially deprived. Approximately 95% do not have transportation and have to be transported



to and from their job. All local crews are manifested and individual workers are registered. Through this outreach effort, we contact people never reached by the local office. With our extensive recruiting for labor, we serve the people who need the Employment Service the most. These people are provided jobs through the Farm Labor Office. When we locate an HRD applicant, he is referred to the local office for counseling and other services available to him.

We help prospective crew leaders recruit and organize their crews. We help all crew leaders obtain loans for equipment by referring them to the Farmers Home Administration. All crew leaders are closely screened to determine their honesty, leadership and dependability. This is done to guarantee that all workers are treated fairly, and the employer can be assured of a good work supervisor.

The farm labor representatives work closely with the Council of Churches, Health Department, Sheriff's Department and community groups such as TAP and CAP to better serve the employer and applicant.

The local crews are provided personal service in securing jobs. When the labor cannot be used in Camden County, they are referred to adjoining counties for employment.

For the convenience of the workers, crew leaders and employers, the two-way radio is used extensively in filling job orders and placing individual workers. Due to the radio, very few job orders are unfilled, and we can provide more efficient services to the employer.

All housing for migrant workers is currently being inspected by the farm placement representatives. We are working closely with the growers to get the housing to meet and exceed federal regulations.

The Camden County farm representatives work closely with the North Carolina Parole and Probation Departments. Almost daily contact is kept with these officers. Prison units are visited frequently to interview prisoners eligible for work release or parole. These visits are made with the parole officer or parole supervisor. Workers are placed on the farm, on rural manpower orders, or on log-woods' orders, etc. They are placed on jobs to which they are best suited.

When this program was first started approximately ten years ago, we had to sell the growers or employers on this program. Now we cannot fill the demand. During the course of interviews with these prisoners, we always consider his attitudes, his work ability, etc., and place him with an employer who will do his part to see that he fills out his time of parole without it being revoked.

(See RIDDICK, Page 46)



New Officers of the N. C. International Association of Personnel in Employment Security include Clarence Barnwell, Asheville, President; Helen Gay, Rocky Mount, President Elect; Cecil Tucker, Lincolnton, Vice President; Norma Jean Bowen, Raleigh, Treasurer; and Edson Bates, Raleigh, district committeeman. Election occurred during the group's 34th annual convention held in Durham.

## IAPES Elect Officers, Hear Good Speeches At Durham Meeting

"Right on, man," says minority group representative Ed MacRae of the N. C. Employment Security Commission.

Ed was program chairman of the Tarheel chapter's 34th annual convention of the International Association of Personnel in Employment Security, and he brought to the April 1-2 meeting in Durham two of the most impressive black employment authorities ever to appear before the IAPES.

Marshall Bass, a retired Army

Colonel and Negro personnel director of North Carolina's giant R. J. Reynolds Industries, keynoted the opening of the two-day convention with an address of the "Philosophy Toward Racial Integration."

In the afternoon, Iowa's Cecil Reid, Equal Opportunity Representative from Region VII, entranced the audience of 200 with a spirited delivery of "What's With Minorities."

"Tell It Like It Really Is" was MacRae's convention theme and the two Negro gentlemen did just that, particularly the gesturing Reid who spiced his hour-long talk with racial good humor. When he concluded, the former administrator of the Iowa Employment Security Commission was given a standing ovation by the North Carolina IAPES—the first standing demonstration in over a decade.

From Atlanta, the Department of Labor's Lawrence Weatherford was present to explain new unemployment insurance rulings, and IAPES president George O'Malley delivered the featured address at the Friday luncheon.

O'Malley also handled the swearing-in ceremonies of the new chapter officers. Clarence Barnwell, a tax auditor with the local office in Asheville, was named president for the new year. Helen Gay, an interviewer from Rocky Mount, was named president-elect, and Cecil Tucker, occupational analyst from Lincolnton, was elected vice president. Norma Jean Bowen from the ESC Central Office in Raleigh won the election as treasurer and Edson Bates won the election for district committeeman.

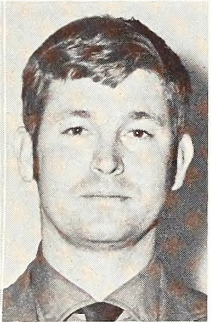


Helen Gay joins Cecil Reid at the speaker's table. From Iowa, Reid was one of the featured speakers at the IAPES convention.

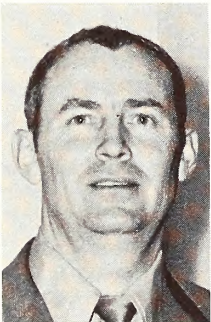




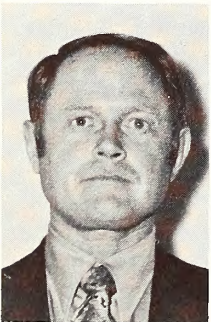
Davis



Cahoon



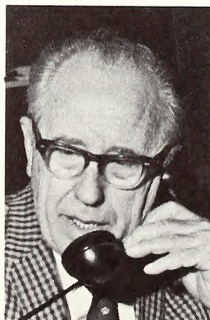
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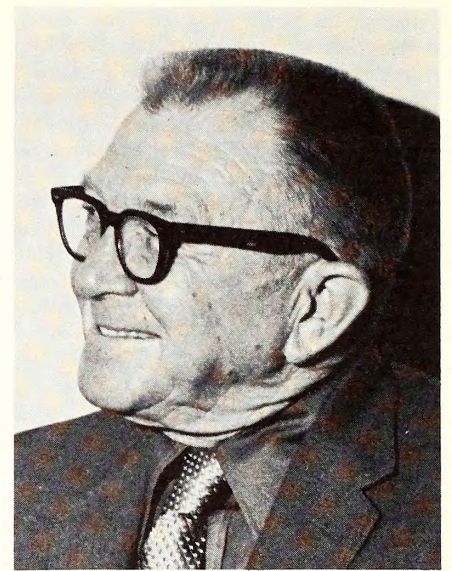
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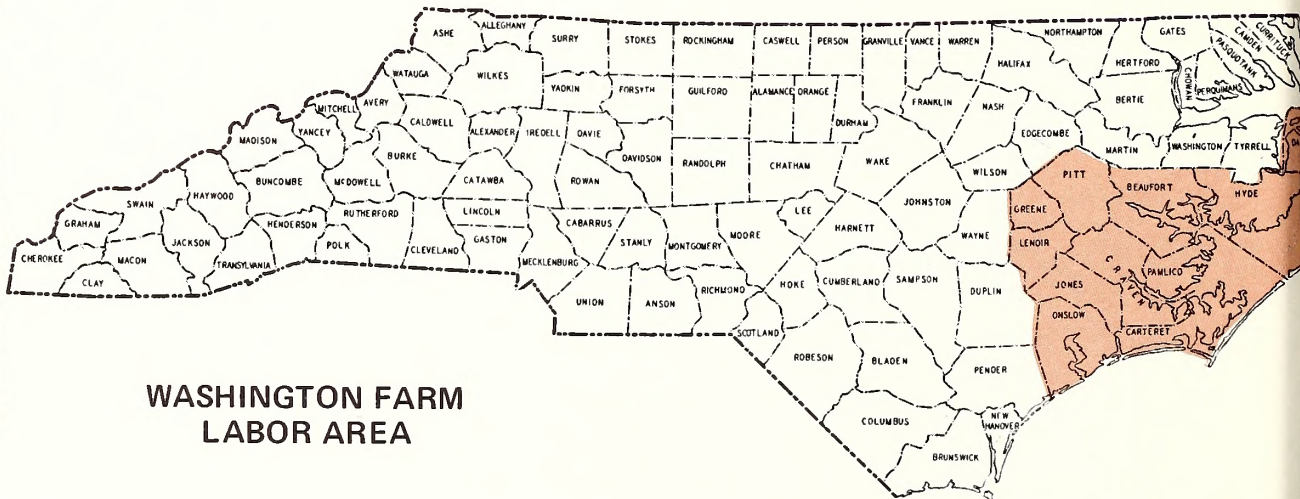
Smithwick

# FAMILY SIZE FARMS EXPECT CONTINUING DIVERSIFICATION IN EASTERN COUNTIES

By PAUL NANCE  
Supervisor, Washington Area



Nance



WASHINGTON FARM  
LABOR AREA

Area B served by the Farm Placement and Rural Manpower Services covers an 11-county area in the eastern part of North Carolina. They are Dare, Hyde, Beaufort, Pitt, Lenoir, Greene, Jones, Onslow, Craven, Pamlico, and Carteret.

There are six Farm Placement Representatives who are responsible for Farm Placement and Rural Manpower services in this area. Joe Cahoon stationed in Fairfield serves Dare and Hyde Counties. Dennis Smithwick stationed in Washington serves Beaufort and the eastern half of Craven County. David Barrow stationed in Greenville serves Pitt County. Leonard Seymour stationed in Kinston is responsible for Greene and Lenoir Counties. Grant Morris stationed in New Bern serves Craven, Pamlico, Jones, and the southern half of Craven County. J. C. Davis stationed in New Bern is responsible for Farm Place-

ment as well as all other ES activities in Jones County with the exception of claims.

This area encompasses some of the largest Bright Leaf tobacco producing counties in the State. The 1970 tobacco allotment for this area is approximately 75,825 acres. Tobacco is a crop requiring much hand labor for the harvest and also for the preparation for market. Approximately 79,000 seasonal workers are utilized in the green tobacco harvest in this 11-county area. It is estimated that there are more than 8,000 regular (non-seasonal) workers that work in the tobacco growing from the time of plant bed preparation and sowing through the transplanting, cultivating, harvesting, and marketing season. The majority of the seasonal workers employed in tobacco are used during the harvest season. To date, the growing and harvesting of tobacco has been



mechanized to only a limited degree. Practically all growers depend on hand labor for priming and barning tobacco. Bulk curing of tobacco, which is still on a limited scale, has eliminated small numbers of seasonal workers as the majority of tobacco that is bulk cured is not tied or looped on sticks before hanging in the barn for curing. There are numerous riding "primer aids," used by various tobacco growers. These aids have eliminated the use of only a small number of workers. The marketing of tobacco in sheets without tying has eliminated considerable numbers of seasonal workers in the preparation of cured tobacco for marketing.

The majority of seasonal workers used in tobacco live on the farm or in a commuting or day-haul distance of the tobacco fields. All available able-bodied male workers are utilized in the priming of tobacco during harvest time. Generally, there is not a shortage of women or barn hands for this operation. There are 400 or 500 men and women workers day-hauled from out of area into Pitt, Greene, and Lenoir Counties for the tobacco harvest. A high percentage of these workers are men primers but in order to get the men it is necessary in many instances for growers to utilize some women workers as barn hands. The majority of these day-haul workers originated in Bertie, Halifax, and Northampton Counties.

With the full utilization of local and day-haul workers it is still necessary to supplement this labor force with interstate workers from Mississippi. There are approximately 900 young boys who come to Pitt, Greene, and Lenoir Counties each year for the duration of the tobacco harvest. These workers are transported by crew leaders originating in Mississippi. They generally live in small numbers in housing furnished by the respective growers. The crew leaders who transport these workers from Mississippi are responsible for



Summertime down east, a familiar farm scene in eastern North Carolina. The money crop, a boy on a tractor and primed tobacco.

their supervision while in the area. Mississippi has done an excellent job in the recruitment and screening of the people that they send into North Carolina.

The mechanization of harvesting tobacco has been somewhat slow. Several versions of machines have been built that will remove the leaves from the stalk prior to curing, but the initial cost of these machines is high and in most instances the cost is prohibitive for the average acreages that the growers plant. As mentioned earlier, various primer aids and bulk curing has

eliminated the need for smaller numbers of seasonal workers.

The white potato acreage in this area has been reduced appreciably in recent years and in 1970 there were slightly less than 5,000 acres of Irish potatoes grown commercially.

The Irish potato harvest has been mechanized almost 100% to date. Mechanical harvesters harvest 95% of the commercial white potato crop. In many instances after being harvested by machines they are conveyed into trucks without being washed or graded and sold to potato chip companies. It



The author believes family-size farms must diversify to continue operations. Grape production in Onslow is a relatively new crop and the production of mixed vegetables such as sweet corn has increased tremendously. Labor in this area is becoming scarce and expensive.



is estimated that no more than 25% of the crop harvested is graded and packaged for the fresh market.

In 1970 there were approximately 1,500 Florida migrants brought into this area to supplement local labor in the potato harvest.

Production of mixed vegetables for the fresh market has increased tremendously in the past few years. Carteret and Hyde Counties planted sizeable acreages to cabbage for both spring and winter harvests. Eastern Beaufort County and Hyde County which has black, high organic soil is increasing their acreage planted to mixed vegetables each year. Production of long green cucumbers for the fresh market in eastern Beaufort and Hyde County is steadily increasing. This area plants a large acreage in the spring as well as in the fall. It is estimated that there are approximately 2,000 acres planted to long green cucumbers in this area. The majority of this crop is shipped to northern markets. The number-three or small size are sold to processing plants for fresh pack pickles. The over-all acreage planted to pickle cucumbers is very large but the majority of growers are planting small acreages that require only a very limited number of out-of-area workers. The long green cucumber harvest requires approximately 150 Florida migrants to supplement the local and day-haul labor for both the spring and fall harvests. Eastern Beaufort County and Hyde County are parts of a large muck area remaining in the United States. It is felt that the growing of mixed vegetables for the fresh market will show a steady increase in this high organic soil. Several food processing companies have sent representatives into this area to explore the possibility of getting food processing plants established. With this in mind, processors will take the over flow or surplus produced in the area that cannot be sold profitably on the fresh market. I feel that the acreage planted to vegetables in this area is only beginning and the possibility of developing into one of the largest vegetable growing areas in the world is very favorable.

Flue cured tobacco has long been the major money crop in this area. It is generally agreed by all concerned that tobacco production is heavily dependent on government-controlled production and price support programs. In 1961 dual control of acreage poundage was initiated and implemented by the ASCS. In the past ten years, tobacco acreage has been reduced approximately 17%.

Labor continues to be increasingly scarce and expensive. The seasonal labor used in tobacco, especially for harvest, is getting more scarce and the cost to the grower continues to rise. The labor situation has very little chance to improve in the foreseeable

future. Tobacco growers have been able to reduce labor requirements considerably during recent years. This has been accomplished by various types of harvesting aids, stitching machines to secure the tobacco to the stick, and bulk curing which generally eliminates the tying or looping of tobacco for the market of untied leaf.

Growers are mainly interested in mechanizing the harvesting and curing operation. Substituting machinery for hand labor doesn't necessarily mean a reduction in cost because machinery used in the harvesting and curing of tobacco is only used for a short period of time each year. Machines for removing tobacco from the stalk have not been perfected and at this time the initial cost of this machinery is prohibitive. Only growers with large acreages could afford this machinery if the machines are perfected to the degree to make their usage practical. Generally speaking, it would be impractical for growers owning priming machines to do custom work for other growers as all tobacco crops generally need harvesting at the same time. If tobacco is ripe and ready to be pulled from the stalk, if it's left for a couple of days in hot dry weather then it is too late.

It is estimated that the cost to convert from conventional harvesting to

machine harvesting and bulk curing would be in excess of \$1,000 per acre. Many of the small tobacco growers do not have the necessary capital nor can they get the credit to make this change if they felt that it would be practical. The trend has been for fewer growers planting larger acreages. This will mean that there will be fewer family-size operations handled with available family labor. With good management some of the growers having smaller acreages will continue to operate profitably for several years to come.

The change in tobacco growing will be dependent on government-controlled programs, tobacco production, price received for tobacco and availability and cost of labor to house this crop. It appears that major changes in production of flue-cured tobacco will be made gradually over a long period of time.

Many tobacco growers are becoming more diversified by growing additional acreages of soybeans, sorghum, small grain, and mixed vegetables. This diversification seems to be a trend in this area and it appears that diversification will be more extensive in the near future. This seems to be the only alternative for many growers in hopes that they can continue to operate family-size farms.

## ***Bills To Change State's Unemployment Insurance Law Before General Assembly***

Senator Marshall A. Rauch of Gastonia and Representative William K. Mauney of Kings Mountain in May introduced joint bills before the General Assembly which will increase unemployment insurance coverage in North Carolina.

Their proposals also modified current provisions of the State law to extend the duration of benefit payments to jobless workers during periods of unusually high unemployment, and provided unemployment insurance coverage to certain State workers for the first time.

Introduced to amend North Carolina's unemployment insurance law and make it conform with federal legislation enacted by Congress in August, the bills cover an estimated 139,000 additional workers and bring almost 34,000 additional employers under unemployment insurance regulations.

The Employment Security Commission, which administers the program in North Carolina, reports that failure of the State law to conform to federal statutes would result in the forfeiture of nearly \$150 million in tax collec-

tions to the federal government. Currently, states are allowed to retain about 90 percent of all unemployment insurance tax collections if their individual laws conform to the federal act. The Federal Unemployment Tax Act, which establishes unemployment insurance excise taxes, requires that all tax collections be received by the federal government from states with no UI law or from those declared in non-conformance. In these circumstances, the state would not receive the tax offset.

The most significant amendments included in the new bills:

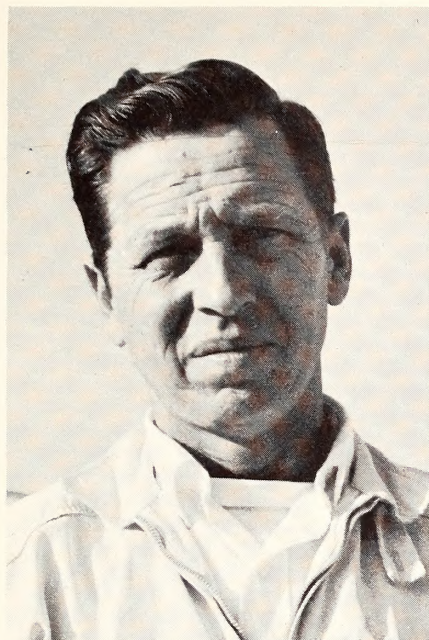
(1) Extend coverage to employers of one or more employees in 20 calendar weeks or with a quarterly payroll of \$1,500. The present law applies to employers of four or more workers.

(2) Extend coverage to workers employed in State institutions of higher education and State hospitals, a provision which would include approximately 27,750 State employees.

(3) Extend coverage to non-profit organizations employing four or more workers for 20 calendar weeks. Cur-

(See UI LAW, Page 32)





Hassell

## Some Crop Harvest 100% Mechanized In Northeast Counties

By JASPER HASSELL  
Supervisor, Edenton Area



Skinner



Daniels



Pittman



Holiday



Lilley



Taylor

The Farm Placement and Rural Manpower Service, Edenton area, was formed on July 1, 1970 from sections of the original Elizabeth City, Washington and Raleigh agricultural areas. Area G was created to improve and extend nonagricultural Rural Manpower Services to a ten county area. The counties are: Perquimans, Chowan, Gates, Washington, Tyrrell, Martin, Bertie, Hertford, Northhampton, and Halifax. There are three regular local offices within this area, Edenton, Williamston, Roanoke Rapids, and one sub-office, Ahoskie.

We are responsible for all Employment Service activities in counties without an office or sub-office and responsible for selected industry activity in those counties with Employment Security Commission local offices. Our Farm Labor and Rural Manpower Service headquarters is located in the Edenton local office where space has been provided. In Edenton, besides myself, we have a Steno II, Mrs. Linda C. Todd. Leonard Holliday, FPR I, is stationed in a trailer in Plymouth and is responsible for activities in Tyrrell and Washington counties. In Hertford Charlie Skinner, FPR I, is stationed at a trailer and is

responsible for activities in Perquimans and Chowan Counties. J. D. Lilley, FPR I, is stationed in the Williamston local office and is responsible for activities in Martin County and agricultural activities in Bertie County. Genn Pittman, FPR I, is stationed in the Roanoke Rapids local office and is responsible for activities in Northhampton and Halifax Counties.

We have taken over county-furnished space in Windsor, and have set up a Rural Manpower sub-office there. Francis Taylor, Interviewer I, is stationed in Windsor and has responsibility of all nonagricultural activities except claims in Bertie. We hope to get more suitable quarters in Windsor which will improve our working conditions in that area. Wilbur Daniels, FPR I, is stationed in Ahoskie and is responsible for activities in Hertford and Gates Counties.

Comparing the present Rural Manpower and Farm Labor Service with Farm Placement of ten years ago is quite an eye opener. In 1960, vast acreages of potatoes, snap beans, tomatoes, cucumbers and other vegetables were hand harvested by local farm crews and large numbers of interstate migrants. Mechanization was

really just beginning in the harvest of these crops. The peanut crop was almost 100% hand prepared for threshing. There were a few cotton harvesters but cotton gins were not upgraded to accept cotton picked by machines. Thousands upon thousands of man days were required to harvest the food and fiber crops of the area.

The counties of Halifax, Northhampton, Hertford, and Bertie did not have full time assignments of Farm Labor personnel to perform any lasting programs. These counties were considered agricultural labor supply areas and attempts were made each year to recruit labor on demand of crop harvest in other areas. The degree of success usually depended on limited transportation in the supply area and the number of local workers and migrants in the demand area. Often well laid plans fell apart when harvest began.

In the last decade more programs and concepts have been accepted by the Employment Service. Great efforts were made to mobilize local crews to a degree that local crew leaders could own their own buses and trucks and not have to depend on farmers, migrant crew leaders, or intrastate





## EDENTON FARM LABOR AREA

crew leaders to pick up workers. Concepts were changing from the excitement of so many thousands of acres of perishable crops to be harvested to how we could prepare people for employment and harvest of these crops. Our staff, working close with the Farmers Home Administration, encouraged local crew leaders and recruited new crew leaders to purchase mobile equipment to transport workers for crop harvest. During the past ten years, the number of local mobile crews have increased greatly due to efforts in bus and truck purchases through the FHA. The same period reflects decreases in the need for interstate migrants.

Mechanization has played a great part in decreasing the number of needed agricultural hand harvesters. A few crops such as peanuts, and to a degree cotton, have become 100% mechanized. The white potato crop, once all hand harvested, is now almost 100% machine harvested and bulk loaded. Even snap beans are to a great degree mechanized. With various types of harvesters, the tobacco crop requires less labor than ever before.

While mechanization has decreased the number of needed agricultural workers in certain crops, there remains a great demand for agricultural workers in the entire area. Larger acreages of snap beans, cabbage, cucumbers and sweet corn are being planted by area farm employers. Farm Placement Representatives have developed new mobile crew leaders who in most cases have had MDTA crew leader training and have upgraded old crew leaders in the same area to better enable them to provide seasonal employment to hundreds of workers. These crew leaders and workers are referred to agricultural jobs during the harvest periods and to non-agricultural jobs such as gathering pine cones for seed and setting seedlings for reforestation.

This past season approximately 135

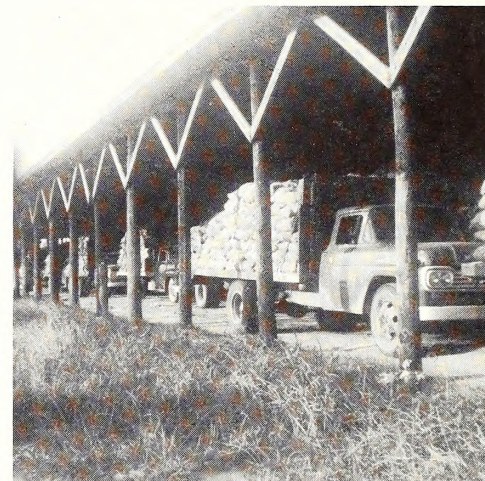
farm employers were directly served by our farm representatives in referrals of approximately 1000 mobile workers in various sized crews. Another 250 farm employers were visited occasionally to offer service and provide referrals for individual orders for regular workers and individuals for short jobs. These workers harvested to a great degree 3000 acres of cucumbers, 400 acres of cabbage, 2000 acres of sweet potatoes, 500 acres of snap beans, 2500 acres of sweet corn and 1000 acres of other truck crops such as peppers, squash, butter beans, tomatoes, and strawberries.

They were referred and participated in the harvest of grapes in 12 grape vineyards of over 75 acres. Groups and individuals were referred to harvest a large percentage of the approximately 17,000 acres of tobacco. Intrastate workers were referred from our sufficiently supplied counties to the Rocky Mount, Wilson and Raleigh areas for their tobacco harvest involving thousands of acres. Some interstate migrants were used in the cucumber and tobacco harvest and were housed in federally approved housing.

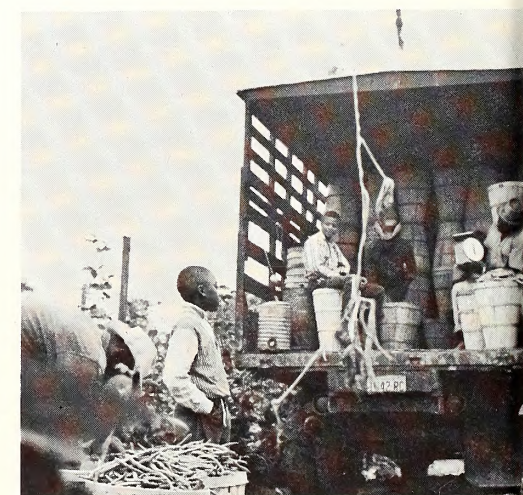
Along came special area and personnel assignments in the new concept of Rural Manpower Service. The responsibility to upgrade individuals, to make them job ready, emphasizing help to the seemingly hard to place or unemployed through counseling or referral to allied agencies and to improve their possibility to gainful employment are all goals of the Rural Manpower and Farm Labor Service.

We still have and are proud of our part in the old farm placement. Our thinking is better through the years when we consider the need of both the employer and the worker. Today we have and are striving to improve and make work an integrated program in both agriculture and industry. Although demands for hand harvest workers are less than ten years ago, we

still have vast acreages of crops to harvest and this will continue into the future. When we think Rural Manpower Service, we think of our farm placement as being a very respected segment of this activity.



Sacks of potatoes and bushels of beans. Truck cropping is a major agricultural activity in the Edenton area. Although demands for hand labor are less, there are still vast numbers of acres requiring manual labor.



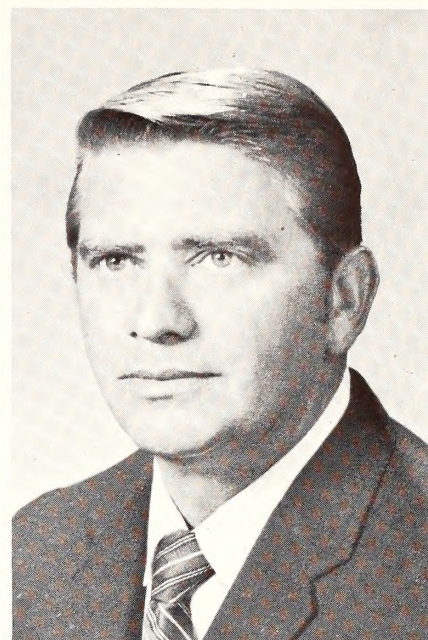




Thigpen

# BIG COUNTIES . . . BIG FARMS . . . BIG LABOR DEMANDS IN SOUTHEAST

By JAMES WELLS, Supervisor  
Goldsboro-Mt. Olive Area



Wells



Kilpatrick



Precythe



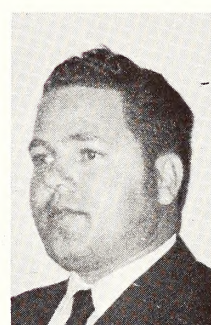
Pike



Pope



Grantham



Leggett



Garriss

Area C, also known as the Mt. Olive Farm Placement area, consists of 12 counties in southeastern North Carolina and is served by 13 Farm Placement and Rural Manpower staff members.

The Farm Placement Program has changed drastically over the past ten years. In 1960 placement of agricultural workers with agricultural employers was the only responsibility of Farm Placement Service. Over the past ten years new projects have been introduced and new responsibilities acquired. On November 1, 1966, all placement activities in the Woods Program was initiated by Farm Placement staff. In January of 1967 the outreach concept of the Farm Placement program was established whereby all Farm Placement personnel were trained in the various needs of rural applicants so as to refer them into the proper agencies for counseling, training or other needs. The Rural Manpower program got underway January 1, 1968, with the Mt. Olive Office being the pri-

mary target of this new operation. Since that time, within Area C, Rural Manpower activities have been initiated in Pender, Brunswick and Hoke Counties.

Farm Placement activities in agriculture has also changed during the past ten years with new methods and procedures. Mechanization has attributed much to this change. Crops such as cotton, peanuts, corn and some commercial vegetables in 1960 which were totally dependent on hand labor, have gone 100% mechanized. New and modified equipment such as tobacco stitchers, mechanical harvesters, and bulk curing barns has also been introduced in the tobacco industry which is the major money making crop in Area C. The acquiring and applying of irrigation practices has been an asset to all who have participated. In the sixties the use of chemicals such as pesticides, herbicides, and soil fumigants were intensified with research producing better quality of chemicals and this played a major part in agriculture prac-



Smith



Conrad



tices throughout Area C. Emphasis has been placed over the past years on the organizing of crews and training of crew leaders. Farm Placement Representatives visit labor centers constantly in their efforts to recruit qualified applicants to attend crew leader schools which have been taught at Bladen Technical Institute and Wilson Technical Institute. Graduates who showed initiative were referred to Farmers Home Administration under a new program initiated in 1966, to obtain loans for the purchase of labor buses to day haul workers. This program alone has been the one factor which has prevented crop loss in Area C.

### Wayne County

At the present time there are in Wayne County 3,479 farms, which is a small decrease from ten years ago due primarily to highway and industrial plant and housing construction on open farm land plus small tobacco allotments per farm. On the above mentioned farms there are 312,653 total acres of crop land and in 1970 there were 108,828 acres of harvested crops that included tobacco, corn, wheat, cotton, strawberries, sweet potatoes, irish potatoes, snapbeans, pickle cucumbers and long green cucumbers, soybeans, peanuts and mixed vegetables.

Of all these crops, tobacco harvest used more hand labor than any other planted in Wayne County. Even though tobacco continues to use more labor than any other crop, there has been a decrease in the labor demand in the past ten years in this harvest due to mechanical harvesters, stitching machines and bulk curing barns plus the use of chemicals to control suckers and grass and weeds in plant beds.

The acreage of snapbeans has continued about the same for the past several years. The demand for intra-state and inter-state workers to supplement local labor has increased.

Hand labor shortages in the coastal plain area has caused farmers in the past ten years to turn to poultry and livestock. For example, in 1962 there were 8,750 cattle and in 1970 there were 11,150. Hogs in 1962 numbered 34,100 and in 1969 numbered 42,500. Chickens in 1962 were 240,500 and in 1969 were 351,700. This represents a very substantial increase.

New machines are being perfected that will affect the labor market in this area if they are used to a great extent; however, there are several factors to be considered in connection with the use of these machines. First, the type of farming done in this area is greatly diversified with tobacco, corn and commercial vegetables being the major crops. Due to this diversification in farming and due to allotments in corn and tobacco, each farmer cannot afford to purchase a machine for each of his crops. In some cases the smaller farmers have succeeded in purchasing a tobacco harvester to be used jointly. Second, even a jointly owned and operated machine can present a problem in the harvest of more perishable crops, such as snapbeans, cucumbers and sweet corn. When each farmer needs to harvest the same day in order to save his crop, problems would arise. Therefore, it is doubtful that a machine jointly owned and operated by several farmers would prove a satisfactory method of harvesting.

In the past several years in southern Wayne County Irish potatoes and strawberries acreage has been drastically reduced to only one grower with about 30 acres of potatoes and about ten growers with a combined total of approximately 50 acres of strawberries. Pickle cukes have slightly increased in acreage over the past ten years.

### Harnett, Hoke & Cumberland Counties

The Fayetteville area is comprised of Harnett, Hoke and Cumberland

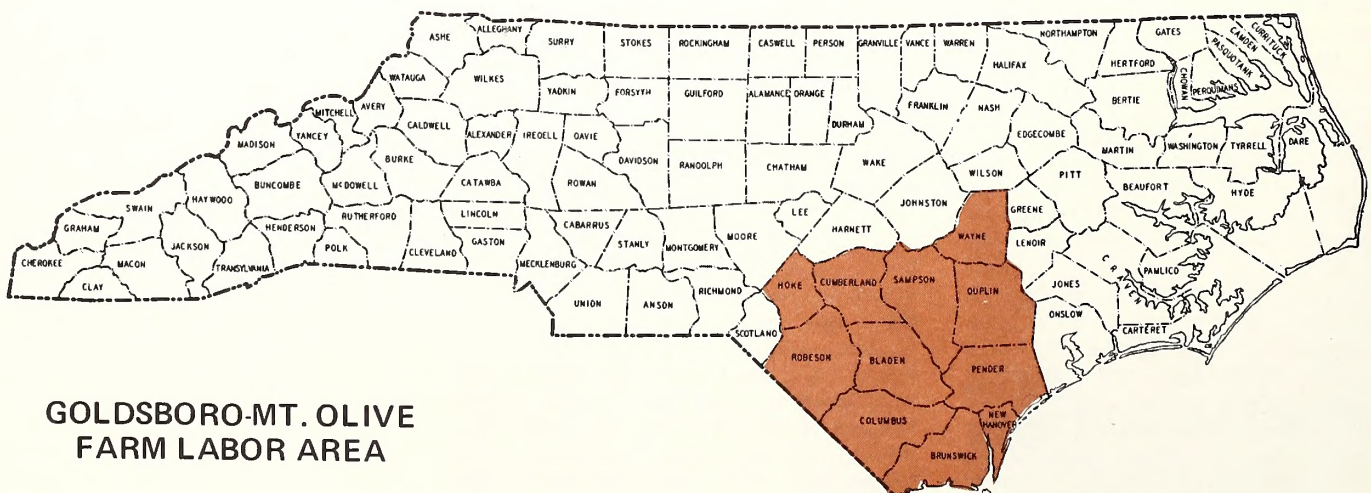


Interviewer Nora Kearney, right, works in the Mount Olive farm labor office, and Interviewer Mazzie Frink handles farm labor and rural manpower services from the Shallotte office.

counties. This three-county area is also a highly diversified farming area with soil and climate favorable for the production of tobacco, cotton, corn, soybeans and various commercial vegetables such as cucumbers, watermelons, sweet potatoes and strawberries and blueberries.

There are approximately 180,000 acres of harvested cropland in the area. Approximately 18,000 acres of tobacco are grown each year; 1,500 acres of sweet potatoes; 500 acres of cucumbers; and 100 acres of berries. Each of these crops require hand labor for harvest. In addition, 20,000 acres of cotton, 45,000 acres of corn and 70,000 acres of soybeans are grown for mechanical harvesters. Approximately 50 commercial dairies are in these counties, mostly family size but requiring from 50 to 100 year-round workers. There are about 40 poultry production plants utilizing 100 to 200 workers and 20 beef cattle farms utilizing 25 to 50 workers. There are approximately 100 farms grossing \$40,000 more per year in the area and 400 farms grossing from \$5,000 to \$10,000 annually.

It is estimated that more than 5,128 farm operators are engaged in operating this vast acreage while 35,000 others are living on the farms and are engaged in some form of ac-



**GOLDSBORO-MT. OLIVE  
FARM LABOR AREA**





tivities in agriculture at various times throughout the year.

Forecast for the future planting is about the same for tobacco or around 20,000 acres. Cotton is expected to be cut about 30% from the 1970 acreage. Some increase expected in soybeans due to a decrease in corn acreage caused by the blight and shortage of good sound planting seeds and the extra acreages gained by cotton reduction. Sweet potato and cucumber acreages are expected to remain about the same. No new additional crops are anticipated.

#### Robeson, Bladen and Columbus Counties

In 1960, farming and related employment was the principal source of income for most of the people in Robeson, Bladen and Columbus



counties. Today, 1970, there are a number of industries located within the area. So farming has changed from mules to tractors and small farmers to large farmers, cultivating the same acres of land. There are approximately 11,375 growers in this area. There is a total of 58,369 people who live on farms in these three counties. These farm families are supplemented by local crews and individual workers from cities, towns and communities which will help in harvesting their crops. Robeson, Bladen and Columbus counties have a combined total of 1,107,986 acres of land with 304,074 acres of cropland planted in 1970 and 141,941 acres idle cropland. There are 35,208 acres pasture land, 662,763 acres woods, waste, cutovers, home-sites, etc.

Crops harvested in this area in 1970 were: Corn, 137,955 acres; cotton,

23,703 acres; tobacco, 37,472 acres; peanuts, 5,824 acres; small grain, 9,472 acres; soybeans, 72,089 acres; hay, 7,523 acres; strawberries, 700 acres; blueberries, 1,440 acres; and cucumbers, 3,875 acres.

With new industry coming in, the growers are having to mechanize and we now have mechanical cotton pickers, corn pickers, tobacco transplanters, tobacco harvesters, peanut combines, blueberry harvesters, grain combines and cucumber harvesters. These machines have become necessary because tenants and day workers are leaving the farms for factory jobs. Cotton, peanut and corn harvest has changed in the past ten years from hand labor to 100% mechanical harvesters. Blueberry acreage has increased about 75% over the past ten years, and with the new blueberry harvester that came out in 1970



Sweet potato harvest in Duplin County, in spite of innovations, still requires lots of hand labor. State farm labor man Buster Prescyth talks with a crew leader while a tractor drawn packing shed scoops potatoes from the ground on a conveyor belt. Full crates (left) are handled by truck-lifts.





Gladiolus are abundantly produced in Pender County (top) and strawberries in Columbus County, illustrating the wide diversity of crops in the Goldsboro-Mount Olive farm labor area.

the acreage is expected to increase rapidly.

These factors are causing our farmers to increase their acreages to justify the purchase of new machinery. It is expected that this trend will continue in the future.

#### New Hanover and Brunswick Counties

There has been a radical change in

the farming activities in New Hanover and Brunswick counties over the past ten years—especially in New Hanover County. It is expected that more changes will take place in the future. Prior to 1964, there were about 3,000 migrant workers being brought into the area to assist the 5,000 local workers in the harvest of blueberries and commercial vegetables. Today, no migrant workers are used in the two counties. In New Hanover County,

there were approximately 40 to 50 growers of flowers, blueberries and commercial vegetables. As of 1970 there are only six or eight growers remaining in the county. Some of these growers have put into use the mechanical pruners and salad harvesters which eliminates some hand labor.

New Hanover County is fast becoming an industrial area, and farm land is being sold for this purpose. Some growers are moving their operations to other counties and states. In my opinion, in the next five years one or two small farms which produce vegetables for local marketing and two or three blueberry farms will be the extent of farming operations in New Hanover County. The entry of mechanical bulb diggers and setters over the past ten years eliminated the demand for some farm workers. In the New Hanover County area there are 200 acres of flowers (gladiolus & daffodils), 130 acres of blueberries, 100 acres of commercial vegetables and 130 acres of tobacco.

In the Brunswick County area very little change in farm operation has taken or will take place in the future. There are about 175 farmers in the county. Most of these farms are small and of family size. The principal crops of Brunswick County are tobacco, corn and soybeans and four small blueberry farms. Additional labor is required during the tobacco and blueberry harvest season. Brunswick County, like New Hanover, is becoming an industrial area. In my opinion the future of farming operations in the Brunswick County will experience very little change. However, some increase in blueberry acreage will occur which will require additional hand labor. In the Brunswick County area there is approximately 2,600 acres of tobacco.

#### Pender County

Pender County has approximately 65,000 acres of cropland, and it is esti-



Hand labor is still needed in snapbean harvest in Wayne County. Nearly 109,000 acres of harvested crops are in Wayne, one of the east's most abundantly producing areas. Tobacco requires the most labor. A shortage of labor in recent years has caused some farmers to turn to poultry and livestock.



mated that 1,500 operators tend this cropland which is a slight decrease over the past ten years. The principal farm placement activity in Pender County is blueberry harvest. The blueberry crop was first introduced into Pender County some 30 years ago, a transplant out of New Jersey. For years experimenting with varieties more adaptable to North Carolina climates was done by the growers until a desirable plant was produced. The spread of blueberry crops was relatively slow in its early stages until it was realized by some native growers the value of the crop and especially North Carolina climate permitting the harvest to come off some three to four weeks ahead of its nearest competitor, New Jersey. Today, the blueberry crop in N. C. is approximately 4,000 acres with 2,000 acres located in Pender County. The concentration on Pender County is because of more adaptable soil conditions. This concentration does create problems at harvest time. Approximately 15 larger growers compete for some 4-6,000 workers needed during peak harvest time, June 1 to June 30, sending out some 50 buses in every direction for as much as 85 miles from the farm to solicit workers.

Additional workers are secured through crew leaders making deals with growers and some intra and inter state crews.

The future blueberry harvest operations may be altered in the next ten years by mechanization, shortages of farm workers, and different marketing procedures. Mechanization has already been introduced to the blueberry harvest in North Carolina and proven satisfactory. The machine is large, costly, and its multitude of moving parts could cause trouble during crucial peak harvest operations if breakdown occurs. However, it has been tried and can work.

The labor supply has proven sufficient to prevent crop loss in the past ten years. Growers tend to favor the hand picked berries versus machine picked because less damage, less trash and green berries, and fields can be picked regardless of wetness. As long as workers can be secured and wages kept within the growers range versus market prices, the hand picked berries will be preferred.

The principal marketing of blueberries is through fresh markets in the Northeast, Midwest, Miami and Atlanta. It is desirable for the grower to pick as early as possible for more favorable prices. Extensive research has been done on using blueberries in baby foods, cereals, pies, juices and other foods. With the development of more uses for blueberries, some varieties may be used to pick in bulk one or two times a season when mechanical picking may be more economical. This could replace some hand picking but not eliminate any workers from the

blueberry harvest.

The strawberry harvest has declined in the past ten years to what now is a one grower operation with approximately 70 acres. The harvest is from April 20-May 30 and local day haul is adequate as labor demands at this time are not critical.

The tobacco acreage in Pender County has declined in the past ten years, and the number of workers needed for harvest is less due to mechanization of harvest and use of herbicides and sucker controls.

Small grain acreages, corn and soybeans has increased over the past ten years with the decrease in tobacco acreage and increased acreage being put into cultivation. Yields have increased substantially in both crops.

Strawberry plants are also raised in the Rocky Point area by one of the largest shippers of plants on the east coast. These plants are dug from September through April and shipped to Florida and Texas primarily.

Flowers are raised in parts of Pender County favored by two or three growers. Flowers include daffodils, harvested in March; gladiolas, harvested in June and September; and bulbs, raised for shipment to other growers.

Vegetable farming has decreased with remaining growers on small acreages and/or planting bulk crops picked by machines such as snapbeans and salad greens.

In ten years blueberries will remain the major agricultural crop for Pender County with strawberries and grapes, which are relatively new to the area but gaining acceptance by growers, boosting the county's agricultural economy. Vegetables and flowers will add to economy and will be grown more for mechanical harvesters as they developed.

#### Duplin County

Farms in Duplin County are becoming less each year, causing a decreased number of land owners. There are 158,850 acres of cropland with 2,500 operators controlling this acreage. Some of the land owners who have sold their farms are going to work for larger farmers, but most are trying to find work in other fields such as industry. To find other work a lot of people have to change their residence. Some have left the county. A lot of small farmers are seeking additional income that can be acquired other than by farming row crops. For example, the building and operation of poultry houses. In 1964 and 1965 it was declared that poultry houses brought more money into Duplin County than the main money crop which prior to this was tobacco. These chicken houses are owned by the farmer and/or land owner plus the equipment. The

chickens and feed are furnished by feed companies. This is in the form of a contract between the feed company and the chicken house owner or farmer. On small farms a farmer can carry on his farming operation in addition to looking after two or three chicken houses, because most of the equipment in these houses is automatic and requires very little attention. Farmers are also increasing activity in hog farming, beef cattle farming and other livestock.

Allotments (acreage and poundage) on tobacco, plus the cutting of allotments, limiting farmers on the main money crop, contributed to this situation. The feed grain program has caused a lot of land to lay idle that otherwise was tended and harvested by tenants and farmers. This also has contributed to the migration of tenants and small farmers to other areas for employment. By the fact that farms are becoming larger and farmers fewer, it is having a direct effect on the farm labor service. Labor demands are increasing each year due to local labor migration. Farm Placement Representatives are getting more orders and helping more farmers than ever before.

Mechanization has taken a sharp increase, but Duplin County consists mostly of small farm operators who cannot afford to change their operation completely overnight. They have to change gradually. Farming in Duplin County in 1970 compared to 1960 has become much more extensive and "big business." It's more expensive, also.

#### Sampson County

There are 5,508 farms in Sampson County operated by 2,500 people. The major change in agriculture in Sampson County in the past ten years has been the selling and renting of small farms to large growers for volume growing and for industrial sites. These transactions have caused rural families to seek employment in fields other than agriculture. This migration of farm families has caused a shortage of labor to harvest various crops, and has intensified the role of the Farm Placement Representative I in recruiting for agricultural workers.

Even though there are fewer farms and farm land, the constant study by State and private departments have improved the quality and quantity of the crops. Seeds have a larger germination, thus making quality and quantity of all crops much greater than in the past. Mechanization has been advanced to the extent that growers can prepare and tend much greater acreage than before.

Major advancements have been riding transplanter, corn, soybean, and  
(See WELLS, Page 46)



# Raleigh Farm Labor Area Extends From Virginia To South Carolina Line

By **BILL LANGLEY**  
Supervisor, Raleigh Area



Langley



Proctor



Casey



Pearson



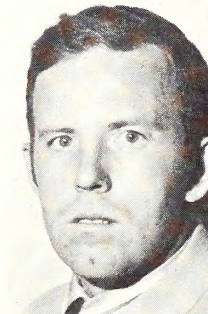
Gray



Muse

The Raleigh Farm Placement and Rural Manpower Service supervisory area consists of 23 counties located in the Coastal and Piedmont area of North Carolina and extends from the Virginia to the South Carolina border. There are more than five million acres of land in this area and over 984,000 acres are harvested cropland. Approximately 238,000 people are classed as rural residents in this area. This area and its people are served by six Farm Placement Representatives who provide Farm Placement and Rural Manpower Service on a full-time basis.

Paul R. Casey, stationed in the Durham Local Office, serves Person, Granville, Vance, Orange and Durham Counties. Lloyd T. Proctor is stationed in the Rocky Mount Local Office and covers Warren, upper Nash and Edgecombe counties. Wade T. Pearson is assigned to the Wilson Local Office and he covers lower Nash and Wilson Counties. Steve D. Adams is assigned to the Raleigh Local Office and he operates the Farm Labor Office, Route 1, Willow Springs, on a year-round basis. His assigned territory is Franklin, Wake, Chatham and Johnston Counties. James B. Muse, Jr., is



Adams

stationed in the Rockingham Local Office and he covers Lee, Moore, Montgomery, upper Richmond, Stanly and Cabarrus Counties. John Edgar Gray, Jr., serves Scotland, lower Richmond, Anson, Union and Mecklenburg Counties. His official station is the Rockingham Local Office.

The principal crops grown in this area are tobacco, sweet potatoes, pickle cucumbers, peaches, corn, soy beans, cotton and peanuts. Of these the last four are mechanized to the extent that they demand very little seasonal labor other than seed corn which is detasseled primarily by youth crews. The increased use of herbicides

and improved planting methods have practically eliminated chopping and cultivating of these crops. Most are completely harvested by mechanical means. Seasonal workers are required at the time of planting to assist the tractor operators in keeping planters and distributors filled with seed and fertilizer and they are required again at harvest time to assist combine operators in dumping and loading grain and fiber.

The past several years has seen a decline in the number of acres of corn harvested from approximately 455,000 acres in 1960 to approximately 282,000 acres harvested in 1969. This crop in acreage, however, has been off-set by increased yields and the production remains virtually the same.

The popularity of soy beans continues to rise in this area as evidenced by a harvest of more than 183,000 acres in 1969 as compared to approximately 27,000 acres harvested in 1960.

During the same period the popularity of cotton has continued to decline. In 1960 this area produced 135,782 acres as compared to 52,015 acres harvested in 1969.



Peanuts have remained stable and approximately 20,000 acres are harvested annually in this area.

About 5,000 acres of seed corn are grown in the Rockingham Local Office area. The seed company usually contracts with local farmers to grow their seed corn. The grower provides the acreage and fertilizer and harvests the crop. The seed company furnishes the seed and takes care of the detasseling. About 1,000 workers are required from June 10 through July 25 to complete this task. John Gray and Jim Muse visit the high schools in their area, recruit and register youth workers and organize them in work crews. These youth crews are referred to corn detasseling jobs as the needs arise.

Tobacco, sweet potatoes, pickle cucumbers and peaches remain as high labor demand crops for seasonal workers. Improved use of mechanical aids, pesticides, herbicides, chemicals to control suckers on tobacco and mechanical thinning of peaches continues the efforts toward reducing hand labor. Mechanical harvesting of these crops has not kept pace with mechanical planting and cultivation. Seasonal labor demands remain strong for workers to harvest these crops. The trend toward larger and more economical farm operations and the gradual replacing of sharecroppers, tenants and small growers has contributed to the movement of approximately 100,000 persons off the farms in this area during the past ten years.

The tobacco acreage in this area has been reduced by government allotment control from 160,658 acres harvested in 1960 to 137,396 acres harvested in 1969. The harvesting of this crop commences around July 1 and ends around September 25. Intra-state and interstate workers are required to supplement the local labor force in harvesting this crop. High School youth is the primary work force available to harvest the tobacco

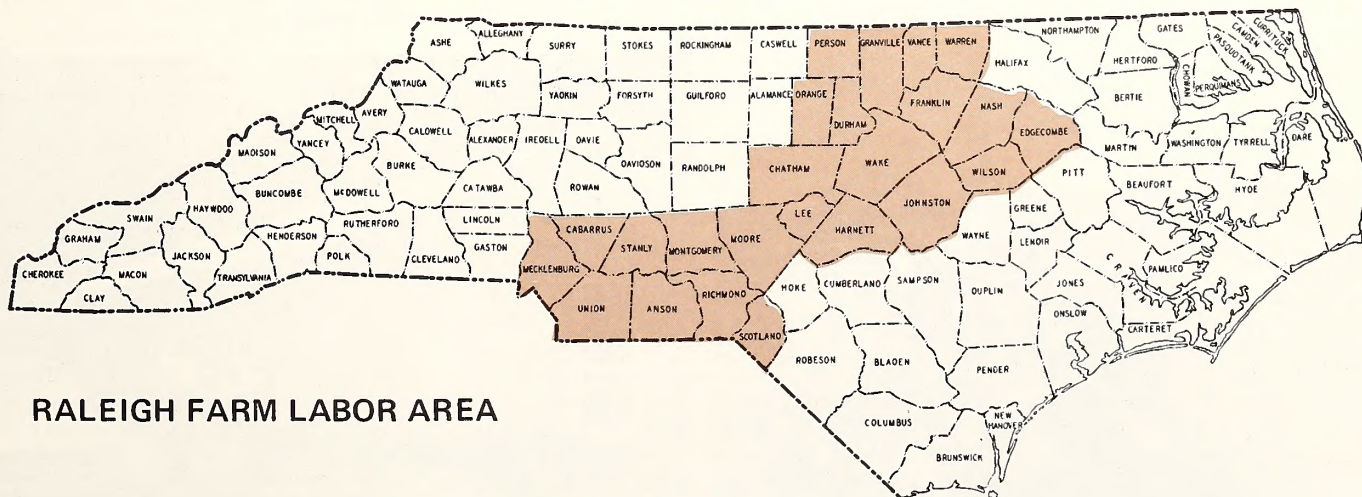
crop. Farm Placement Representatives visit the schools in this area where they recruit and register individuals for seasonal work in the tobacco harvest. The individuals are organized into crews of approximately 40 workers each and placed in the charge of a responsible crew leader, usually a school teacher.

Many of these crews day-haul. Workers meet the buses at designated pick-up points each morning and are transported to the tobacco growing area where they are met by their employers. In the evenings they reassemble and are returned to their homes by the crew leader. The workers are not charged for transportation and they are urged to bring their lunch from home. Some crews move into the tobacco growing areas and occupy camps which have been provided by the growers. These camps are equipped with beds and mattresses, cooking and dining facilities, hot and cold running water, showers and toilets. The workers are not charged any rent. They do have to pay for their food, however. The wages paid these workers have doubled during the past ten years. They can now earn from \$12 to \$14 for an eight-hour work day. The greatest demand is for primers. Automatic looping machines that sew the tobacco leaves on the sticks have reduced much of the demand for workers at the barn. Bulk curing barns that eliminate the need to string the tobacco on sticks have further reduced the needs for barn hands. Priming, however, has not been mechanized to any significant amount to date. Several experimental mechanical tobacco primers have been used during the past few years and some of them have shown much promise. It is anticipated that mechanical tobacco harvesters will become available to growers within the next few years.

Sweet potatoes continue to increase in popularity in this area. The acreage



High school youth is the primary work force available to harvest the tobacco crop in the Raleigh area.



RALEIGH FARM LABOR AREA



has gradually increased from 3,875 acres harvested in 1960 to 8,920 acres harvested in 1969. Johnston, Wilson and Nash are the major producing counties. The manner of harvesting has not changed significantly during these years and labor demands have continued to increase. The harvest season runs from the middle of August to the middle of November. Due to school being in session at this time, youth workers are not available and intrastate and interstate workers are required to harvest this crop. The primary work force consists of Florida based migrant crews. They are supplemented by day-haul crews consisting of housewives and unemployed seasonal farm workers.

Pickle cucumbers remain practically stable and an average of 5,000 acres are produced annually. Most are planted in the Spring and are harvested during June and early July. Day-haul crews, consisting primarily of youth workers, harvest this crop. It is estimated that as many as 5,000 workers will be employed in the cucumber harvest throughout the season.

There are approximately 5,500 acres of peaches in production in Moore, Montgomery, Anson and Richmond Counties. This is a high labor demand crop with three peak seasonal activities. During the winter months workers are required to prune the trees. In the spring they are required for thinning the small peaches and in the summer from the last of May until the middle of August workers are required to pick the crop. Local day-haul crews are organized by the Farm Placement Representatives and are usually adequate for all these activities.

A wide variety of mixed vegetables, melons and grapes are produced in this area and each require seasonal workers for harvesting.

Workers are also recruited and referred to jobs in the woods and forestry industry including timber cutting, pulpwood cutting and setting tree seedlings. The largest volume of activity so far as labor demands are

concerned is in the setting of tree seedlings. Reliable crew leaders with dependable workers are referred by the Farm Placement Representatives to jobs setting tree seedlings during the period from December through March. Many of the crew leaders have received instruction in this proper manner of transplanting tree seedlings from forestry personnel at the crew leaders schools.

During the winter, workers are recruited and referred to Florida for fruit and vegetable harvests. The Farm Placement Representative maintains a close contact with the seasonal workers in his area and he is personally concerned with their well-being. At such times as jobs are not available locally he advises the workers of employment opportunities in Florida.



The big peach producing counties are in the Raleigh area. Below, youngsters prime tobacco (left). On the right, Bill Langley talks with a crew leader from Norfolk outside housing for migrant workers which is furnished by the grower.

Arrangements are made for transportation and subsistence for the workers enroute to the jobs in Florida.

The Farm Placement Representatives in this area are always conscious of their responsibilities to growers and workers alike. They never hesitate to go the second mile to assist a grower in harvesting his crops and they are ever alert to the needs of the people in their areas. They actively subscribe to the Human Resources Development concept and reach out to the unemployed and provide meaningful assistance. They continuously seek out rural people in need of assistance and training and inform them of services available to them to improve their lives. The Farm Placement Representatives cooperate with other agencies including Social Services, Vocational Rehabilitation, Community Action Programs, etc., in referring individuals in need of service as well as referring individuals to the local employment offices for special services including placement, testing and counseling.

The Farm Placement Representatives cooperate with the Veterans Employment Representatives and locate rural veterans and refer them to the VER in the local office. They inform veterans of job preference benefits and other programs available to them.

We continuously strive to recruit new crew leaders and organize new crews. We assist new crew leaders in purchasing buses, trucks and equipment through Farmers' Home Administration and Small Business Administration. They enroll crew leaders in the MDTA Crew Leaders Schools to improve their skills and abilities. The Farm Placement Representatives also serve as instructors in these schools and teach a variety of subjects beneficial to the crew leaders.

Some say that the Farm Placement Representative is "all things to all people." It is true that we are in tune with our area and are vitally concerned with the welfare of the people living within our assigned territory, and we wear many hats.





# MARKETING, PROCESSING, AGRI-BUSINESS FEATURE PIEDMONT FARM ACTIVITIES

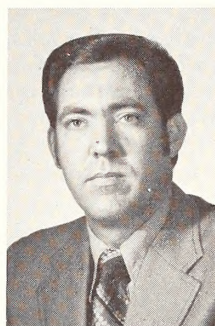
By BARLOW BOWLES  
Supervisor, Winston-Salem Area



Bowles



Wampler



Butler



Brock



McCollum

The Winston-Salem area, known as Area E of the Farm Placement and Rural Manpower Division of the Employment Security Commission, embraces 18 counties in the Northwest Piedmont area. These counties are Alamance, Alexander, Alleghany, Ashe, Caswell, Davidson, Davie, Forsyth, Guilford, Iredell, Randolph, Rockingham, Rowan, Stokes, Surry, Watauga, Wilkes, and Yadkin. Six of its counties are mountainous. Six counties are known for their smaller metropolitan areas but large industries. All 18 are noted for their agriculture.

The area is known for its abundant water supply and for its commercial facilities. It is known to have the most suitable climate. It varies from hot to cold. The area contains a lengthy number of various types of industry from light to heavy including electrical, textile, furniture, and tobacco. It manufactures more cigarettes than all of the remaining United States. For a long time it has been noted for its furniture capital, for its tobacco capital, and for its textile capital.

Its vacation and recreational facilities are second to none. It is noted for its summer and winter vacationlands, with its many entertainment facilities along with hunting, fishing, boating, camping, snow skiing, and outdoor

drama. It is the home of the famous "Tweetsie Railroad" and the "Land of Oz." Several mineral springs noted for curing everything from ulcers to ingrowing toenails are located in the area. It is the only place in the state where one may enjoy golfing on flat lands, rolling lands, hilly communities or mountain tops.

Within the area one of the most modern and up to date regional air lines is based. The area contains two regional airports. Many believe, and surveys show, that much of the growth of this area has been contributed to its highways and transportation facilities.

The area contains tremendous opportunities for everyone, especially its youth. Educational facilities are unlimited with its many schools, colleges, universities, and the well-known Bowman Gray School of Medicine. Job opportunities are more than favorable within this area with its many social, professional, governmental, industrial and agriculture needs. With the area's many training programs both on and off the job and its trade and technical institutes, the area is able to meet most of its worker requirements with the exception of agricultural during peak harvesting seasons. It is necessary to recruit workers from other states for tobacco growers and orchardmen.

The continued fast growth of rural industry has exceeded all expectations and this continues as new industry and new enterprises place options and purchases for new holdings throughout the rural area. With all of this area's tremendous wealth, it maintains and operates a tremendous and fabulous agricultural empire. The several thousand growers operate the agriculture throughout all its eighteen counties. It grows three types of tobacco, flue cured, burley and even Turkish—some 90,000 acres.

For a number of years the area has been noted for its fruit—apples and peaches. Continuous planting of new trees indicates that for years to come this area will be recognized for its fruit production. Some 100,000 producing trees at the present produce 1.5 million bushels per year, and the increase is expected to double within the next ten years. To handle its fruit growth in apples and peaches, the area has built a number of new cold storage facilities and packing and grading sheds. Berries and melons are grown extensively throughout the area. The area is blessed with manufacturing facilities for processing jams and jellies, turning out the famous "Texas Pete" brands.

The vegetable areas produce heavily







There is no stopping this area in the foreseeable future in its growth, well-educated and well-trained workers, and its many opportunities in industry in maintaining the well-groomed farm and forestry lands. The future will bring better farming techniques, larger farming operations, including cooperative farms. However, this will not take away opportunities for the small family farm operations. Many of our small farm operators, poultrymen, fruit and vegetable growers will depend largely on their jobs with rural industry to help in their bid for improved living conditions, educating their children, and increasing their savings toward retirement. A smaller number of workers will be required in agriculture, but at the same time

production will be greatly increased.

Rural industry will continue to grow as more and more industries find that rural workers have improved considerably in their education, willingness to remain in their home communities, and their steadfast belief that their work comes first.

With continuous improvement in processing facilities, marketing of all farm products, most technical advisers, businessmen, bankers, and the farmers themselves believe very strongly that this area and its farming will continue to have a place in this land. And to support their claim, consider the apple—one of our fondest products. There are so many ways to use the apples grown in Area E. To produce it, we can plant it or graft it. To grow it,

we fertilize it. To improve it, we spray it. We can dwarf it, semi-dwarf it, or full grow it. We can also variety it. We can size it, bag it, pack it, crate it, box it, or barrel it. We can store it, bury it, or sell it. It is loved by almost all animals including the human. We can dice it, slice it, eat it, can it, core it, bake it, cake it, fry it, stew it, jam or jelly it, mash it, sauce it, or candy it. We can perfume it, juice it, cider it, vinegar it, whisky or brandy it. We can pie it (fried, sliced, or french) or fritter it. We can ice cream it, dumpling it, and we can dry it. We can feed it to babies, swine, and beef cows. The reason we grow apples the way we do is because we carry to our teachers an apple or two, and in Area E this is the reason we have so few doctors' fees.

The farm placement and rural manpower representatives in this area have been and always will be faced with their duties in locating and finding male and female workers, handicapped, trained or untrained, placing them on jobs with rural industry or farming occupations. The Employment Security Commission of North Carolina, through its rural manpower services, continues to improve its operations throughout the area in meeting all the demands that are placed on it by rural industry, farm growers, and workers themselves. Just recently, through its efforts to improve its operations and in order to give better service to its rural people, a new farm placement and rural manpower office was opened in Yadkin County where it joins a well established farm and rural manpower trailer office in Stokesdale along with its headquarters office located in Winston-Salem.

In an area that serves 18 counties from the poorest in the State to the most wealthy, and an area that consists of all its holdings, and when you consider that if it's done with tobacco, this area does it; when it's done with cloth, this area does it; and when it's done with wood, this area also does it. No wonder it is a full-time operation for Mrs. Mary R. Link, Carl N. McCollum, William T. Butler, James D. Brock, and Paul V. Wampler, four NYC trainees, and one temporary farm placement representative during harvesting season.



Typical of the rural industries using labor recruited by the farm labor office are the Growers Tobacco Warehouse, Winston-Salem; Pine Hall Brick Company, Pine Hall; R. J. Reynolds Company, Brook Cove; and the Foremost Screen Print Company of Stokesdale.





## Off The Interstate And Away From Tourists, Mountain Farms Grow Wide Variety Of Crops

**WILLIAM BRACKETT**  
Supervisor, Hendersonville Area



Brackett

THE Hendersonville Area is comprised of 23 counties and 15 Employment Security Commission Offices. According to North Carolina history the state is divided into three sections, the Mountain, Piedmont, and Coastal. Each section differs considerably in its *characteristics*. By exchanging a few counties our area could well be designated as the mountainous section of North Carolina. In this area, counties or boundaries of counties also vary widely in characteristics.

A quick check of the area shows that it contains roughly 20% of the State's population, approximately 15% of the State's entire area, and about eight percent of the harvested crop land in N.C. Per capita income in our area is \$2,156 compared to \$2,683 for the State average.

The Hendersonville farm placement staff consists of Cromer H. Curtis, Jesse H. Gibson, Dennis A. Hodges and Dickson Q. Ketner. Mrs. Glenda Lookadoo is our stenographer. In addition, each of the 14 or 15 offices of the area has a person designated with first line duties in Farm Placement and Rural Manpower. For this we are grateful. The staff works as a unit. Though small, it is a "closely knit one" and when a person steps on one toe he has stepped on all toes. I guess this is typical of a mountaineer! Periodic staff meetings are held, with the staff usually supplying the agenda. The agenda is provided in areas of needed training. Topics of the agenda are assigned to individuals with the Farm Placement Representative II serving as chairman. Occasionally a member of the central office supervisory personnel is in charge of these training sessions.

Each Farm Placement Representative I is assigned the section in which it is believed he might reach his highest degree of accomplishments.

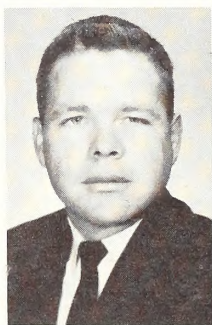
We are proud of the mountainous area which we serve. We love every square foot of it and would that we were in position to offer additional service to each county. After you have read the following articles which were prepared by the FPR's who serve the different sections of Area F, we believe that you will agree that this is a unique section. God made the area and the personnel who serve it and destroyed the mold.

### WAYNESVILLE SECTION

#### Dickson Ketner

The Waynesville section of the Hendersonville Area consists of Haywood, Madison, Jackson, Swain, Graham, Macon, Clay and Cherokee Counties. These eight counties are the westernmost counties in North Carolina.

All counties in the section are mountainous, ranging in altitude of 1400 to 6600 feet. Most farms are of small acreages. Because of the small acreage and limited farmland, most farmers are growing crops that give a large cash return per acre. The main crops grown are: burley tobacco and vine ripe trellised tomatoes and apples. A new commercial crop, strawberries, has been gaining momentum in the past two years. Most of the before mentioned crops are grown in Haywood, Madison and Macon Counties. Haywood County is the largest trellised tomato growing county in the state and Madison County grows the largest amount of burley tobacco of any county in North Carolina.



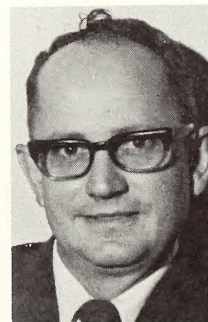
Hodges



Gibson



Curtis



Ketner



Most of the remaining counties in the section have been advancing rapidly in the production of tomatoes and apples. This is largely due to Manpower Development and Training Act courses that have been taught in the past four years in these counties on the production of trellised tomatoes.

In all the counties in the Waynesville Section the production of Christmas trees, ornamentals and evergreens is becoming quite large. Jackson County is the largest producer of these crops in the section.

Clay County, the smallest, still leads the section in poultry production. The sale of poultry and eggs in Clay County is approximately \$4 million per year. Most of this income is derived from the sale of both commercial and hatching eggs.

Dairying, beef cattle production and hog raising is carried on in all counties to some extent. Cherokee County is the largest producer of corn for grain in the section.

There is located in Swain County a most unique organization, The Cherokee Boys Farm Club. This is a non-profit organization formed on the Indian Reservation to train and aid Indian youth. The club owns and operates all school buses on the Reservation, has a very well equipped automotive repair shop, home building contracting facility. Garbage collection and landscaping facilities are among many of the services performed by this fine organization. A new facility is now being prepared by the Boys Club; a home for orphaned or abandoned Indian children.

In the Waynesville section the main crops that demand extra seasonal labor are trellised tomatoes, apples, tobacco and strawberries. Of this group the tomato harvest demands the highest amount of labor. It has been determined that it takes 2.4 persons per acre to completely grow and harvest a crop of tomatoes. Due to increasing labor costs, many trellis tomato growers are beginning to mechanize their operation as much as possible. The main labor saving innovation that has been developed is a riding tomato harvester. These harvesters range widely in type from those that carry one picker to those that carry six pickers. This harvester was developed in Haywood County in 1968. In 1970 it is estimated that 75% of the tomatoes harvested were picked by some type of riding picker. The two most outstanding advantages of this picker are (1) fields can be harvested more rapidly with fewer pickers and (2) pickers do not become so fatigued. Because of the advent of this type of harvester many persons can now participate in the harvest that in the past could not—handicapped persons, older workers, youth, etc.

Most of the workers used in this

area are local, supplemented by approximately five small migrant crews. In the harvest of strawberries and tomatoes many school youths are used. These young people are a very important source of our local labor supply. During the apple harvest there is the greatest demand for migrant crews and day hauls from adjoining counties. In the Waynesville section three supervised day haul points are operated. These points operate an average of 125 days per year and transport approximately 3,500 workers. The Farm Placement service works with 43 growers in the section.

The Woods Program is stressed heavily in the area. The growing of Christmas trees for commercial purposes is a very fast growing enterprise. As stated before, Jackson County is the largest producer of Christmas trees in the section. Through an agreement with the North Carolina Forest Service a copy of all seedling orders totaling 3,000 or more is received and each person who has ordered trees is contacted and offered Farm Placement services for the transplanting of the seedlings.

The Rural Industries program in the area consists of staffing packing houses during their seasons, and contacting various industries in areas not served by a local office to offer services of the Employment Security Commission.

A close working relationship is carried on with other agencies. For example several placements have been made of persons referred by Vocational Rehabilitation.

The MDTA program is a very valuable training program in the area and the Farm Placement staff assists the local offices in recruiting and enrolling, and giving talks to the class and doing follow-ups on training when classes are completed.

#### THE ASHEVILLE SECTION

##### Jesse Gibson

The Hendersonville agricultural area is composed of 23 Western North Carolina Counties and 15 Employment Offices. Currently these offices are being served by four Farm Placement Representatives I. They are responsible to the Farm Placement Representative II who is the supervisor of the area.

The counties assigned me by the Farm Placement Representative II are Buncombe, Burke, Caldwell and McDowell on a year around basis and I assist the farm placement representative of Henderson County during the summer months (June, July, August, September and October).

I am responsible for carrying out all phases of Rural Manpower, Woods and Farm Placement services.

The characteristics of these counties that are in the Blue Ridge province of the Appalachian highland are divided into sections which are mountain, Inter-mountain and plateau. The

inter-plateau is rolling and hilly. The average elevation is 2,300 feet above sea level. The mountain section is narrow crested and steeply sloping. Its average elevation ranges from 1,740 feet to 6,419 feet and the piedmont plateau occupies the central and eastern counties. As a rule the adjacent mountain ranges rise rather abruptly. These counties have a humid temperature, cooler than that of the eastern part of the State. Summers are cool and moderately short. Winters are generally rather cold but not severe.

Agricultural employment in Buncombe, Burke, Caldwell and McDowell Counties comprise only 25 per cent of total employment. This section is highly industrialized. Each year in this section, farms become fewer in number but larger in size and require more hired workers.

The many crops in these counties are mixed vegetables, salad tomatoes and trellis tomatoes, tobacco, and apples. There's lots of activity in poultry (eggs, hatching eggs and broilers), beef cattle and forestry. Approximately 3,485 placements were made in these industries. Of the 106,000 acres in farm tracts in this section approximately 1,200 acres are in trellis tomatoes or salad tomatoes. A new enterprise, salad tomatoes, will be grown by individual families, but it is expected to grow into a labor using crop.

Apple orchards in McDowell and Burke Counties are growing by leaps and bounds which will require labor in the near future.

One of the main industries in Rural Manpower is poultry. One farm in Burke County is called an "egg



Glenda Lookaboo  
Hendersonville Local Office



COUNTY	POPULATION	PER CAPITA INCOME	TOTAL ACREAGE TRACTS OF 5 ACRES OR MORE	HARVESTED CROP LAND
Avery	12,874	\$1,535	74,344	6,469
Buncombe	147,929	2,738	140,000	20,000
Burke	63,853	2,510	130,695	13,010
Caldwell	58,627	2,350	144,180	5,524
Catawba	90,300	3,271	188,811	37,616
Cherokee	17,714	2,060	111,709	5,840
Clay	5,679	1,817	49,709	4,809
Cleveland	71,016	2,733	252,642	42,873
Gaston	145,327	2,911	188,811	20,000
Graham	6,686	1,453	33,785	2,276
Haywood	42,775	2,454	156,405	14,496
Henderson	43,067	2,561	132,850	32,886
Jackson	20,665	1,593	91,857	6,241
Lincoln	33,903	N.A.	149,585	33,903
McDowell	31,318	2,005	93,449	6,776
Macon	15,554	1,861	109,905	8,120
Madison	15,327	1,288	217,074	19,570
Mitchell	13,167	1,876	82,425	8,802
Polk	11,352	2,193	80,164	10,800
Rutherford	49,470	2,217	223,546	19,396
Swain	8,033	2,160	42,218	2,216
Transylvania	19,491	2,554	48,754	4,141
Yancey	13,652	1,228	113,953	12,000

The Hendersonville Farm Labor and Rural Manpower area includes 23 mountain counties. The area contains approximately 20 percent of the State's population, about 15 percent of the State's entire area, and about eight percent of the harvested cropland in North Carolina. The section is famous for its vegetable and fruit production, and the city of Hendersonville is a bustling southern marketing center for truck crop produce.

factory." The chicken house is 500 feet long, has no windows, and houses a maximum of 30,000 hens which have nothing to do but lay eggs. The hens never know whether it is light or dark, since the only thing they have to go by are the lights inside. One person outside catching the eggs off the conveyor belt plus one or two more keeping the feed bins full and the conveyors working can run the entire operation. The output is part of the 460,000 dozen commercial eggs produced annually in the county. Total sales of 160,000 dozen hatching eggs and 1.5 million broilers were about \$725,000.

Forestry remains high on the list of farm income in Burke County. Pulpwood and lumber brought about \$3,000,000 last year.

Burke County has one of the largest

nurseries in North Carolina. Most popular species of trees grown are white pine, short leaf pine, Virginia pine, loblolly and poplar.

The farm placement representative works in conjunction with Mr. Vince Carter, Forestation Office, to help the small farmer who has problems finding workers to set trees.

In this section farm woodland has become a tremendous business. There are approximately 950,000 acres of forest in these counties. In past years approximately 60,000,000 board feet were cut. Most of this was hardwood and yellow pine. The chief forest products are lumber, pulpwood, acid wood and numerous others.

In Buncombe County a variety of crops are grown. They are beans, tobacco, tomatoes and cabbage. Acreage has increased over the past ten

years about 300%. Approximately 1,000 acres in beans are grown and is the largest labor user. In this section there are eight dayhaul points that are supervised by the farm placement representative on peak days. These points are supervised from late June until early November. A total of 300 workers leave these points. They are transported to the fields by buses. There are very few migrant workers in this section, only about 100. The housing is adequate and they have access to a health clinic, day care centers and a minister during the months of June to November.

During peak periods in nearby Hendersonville, the Asheville farm placement representative helps the Hendersonville farm placement representative in dayhaul maintenance, crew leader registration and manifest-



**HENDERSONVILLE FARM LABOR AREA**



ing of crews. He also helps me in recruitment and placement activities.

After harvest season the farm placement representative in this section does outreach to locate workers to work in tobacco warehouses. The tobacco market opens in November around Thanksgiving. Approximately 175 workers are needed by the warehouses. Automation has decreased the need for manual labor. Buyers from R. J. Reynolds Tobacco Company, American Supplies, China and American Tobacco Company, Liggett and Myers, and Brown and Williams Company will purchase over three million pounds from the Asheville market this year.

One of the rural industries, Gerber Food Company, hires 600 or more workers. They process beans, peas, apples and apple juice which are grown in this section.



## THE HENDERSONVILLE SECTION

**Dennis Hodges**

The Hendersonville Section is one of many faces. A 20 minute drive from the center of Hendersonville will reveal first a small progressive town with growing pains, yet keeping a remarkably clean and fresh look. Next new subdivisions on the outskirts of town reveal the spirit and pride of its citizens. Gently rolling topography provides beautiful sites for homes. Only a few miles out of town lies a valley which comes somewhat as a shock to the traveler, for this valley contains about 2,000 acres as flat as a pool table. Most of this valley has been cleared and now provides valuable farm land. From this point a sightseer can be in very rugged mountains within a few minutes where pollution is virtually unknown.

Just east of Hendersonville lives the king of the Henderson County farming community—KING APPLE. All along the Eastern Continental Divide, apple orchards abound. Over 15,000 acres in apples produced over 4,000,000 bushels this year, adding \$5.5 million to the economy of Henderson County. Three-thousand workers are needed just to harvest these apples and at least a thousand to prune, spray and otherwise care for these orchards during the winter and summer months. There are 22 major packing houses in the county and 25 others that grade and sell bulk apples. The plants operate at full capacity for about seven weeks and employ about 1,600 people at about \$75 per week, a season payroll of approximately \$840,000. It is also interesting to note that Henderson County is among the top ten counties in the nation in apple production. The County also holds the distinction of producing 65% of North Carolina's apples.

Another large agricultural enterprise is dairy farming. Forty-one Grade A dairies are located in the county with

Mountain crops, such as cabbage and strawberries, are big users of hand labor and migrant crews always work the high country during the respective harvest seasons. All sections of the mountains anticipate big increases in vegetable production, and as a result, supposedly, the need for labor will remain stable.





an average of 91 animal units. The approximate income from dairying for 1970 is \$3 million.

Gladioli fields not only provide employment and income to the area, but also beauty beyond words when fields are blooming. The supply and demand were good this year.

The leading vegetable crop in 1970 was pole beans. The gross income will be a little less in 1970 than in 1969 due to the decline in prices. Trellised cucumbers is a relatively new crop in the county, with 25 farmers growing 90 acres in 1970. Corn is a major field crop. However, the drought and southern corn blight did extensive damage to both silage and corn this year.

The average temperature in Henderson County is 71 degrees during the summer months and 41 degrees in winter months. Rainfall is ideal for many crops with an average of 55-60 inches. Only nine inches of snow are expected each year. Another ideal crop advantage is 180-day growing season.

For the non-farm minded, Hendersonville has its share of industry. In the immediate area textiles, hosiery, electrical supplies, rugs, thread, ceramics, lumber, plastics, X-ray materials, and camping supplies are some of the products produced. Within easy commuting distance is Asheville, where many other industries thrive.

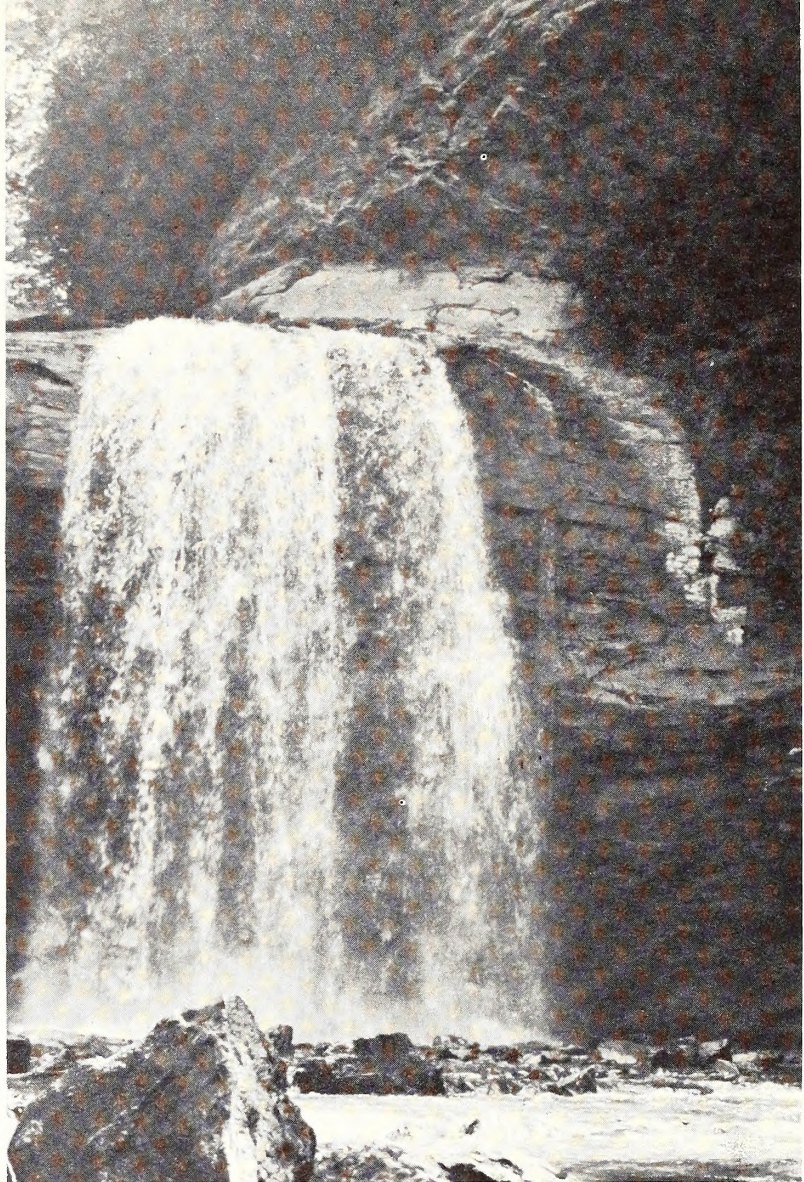
For the tourist, many scenic attractions are located within easy driving distance. Accommodations are of the finest in the country.

In short, the Hendersonville area is an ideal place for nearly everyone, no matter what his taste. Each resident tries to do his part in making it an even better place.

The local Employment Security Commission office is keeping up with the pace of the community, by expanding services at every opportunity. Through cooperation with the local office, the Farm Placement Representative is providing Polk County with non-agricultural services, excluding unemployment insurance claims.

Cooperation is an important word in the local office in Hendersonville. During the winter months the Farm Placement staff assists the local office in providing better Employment Security service to rural communities. This is a period when claims are high and time is just not available for local office staff to provide such service. Later, during the spring and summer months, the Local Office manager assists the Farm Placement staff in providing agricultural services to the community.

In the "high country," or Spruce Pine area, apples are destined to become the most important crop in that area. Many young orchards are



Scenes like this greet the western traveller. In Pisgah Forest, a mountain stream of this beauty is not uncommon, but the mountains, with all deference to tourism, provide some of North Carolina's best farming areas.

coming into production at this time. Out-of-area labor is now being used to assist in apple harvest. Peppers and trellised tomatoes are also making their mark and it is expected that out-of-area labor will also be needed there in the near future. Avery County is already known as the "Shrubbery Capitol of the Nation" and that industry is growing, also. In fact, nursery stock accounts for nearly two-thirds of the total farm income for Avery County, or \$2.5 million of the \$3.8 million total farm income. In this mountainous county, much of the land is unsuited for crops requiring use of machines. As some measure of proof of the quality of product, a Christmas tree grown by Mr. Kermit Johnson of Crossnore has recently won the National Christmas Tree Grower Contest. As a result of this contest, Mr. Johnson will take a Christmas tree to Washington, D. C. in December 1971. The tree will be placed in the Blue Room of the White House.

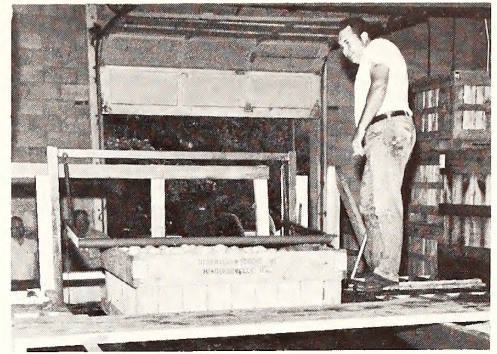
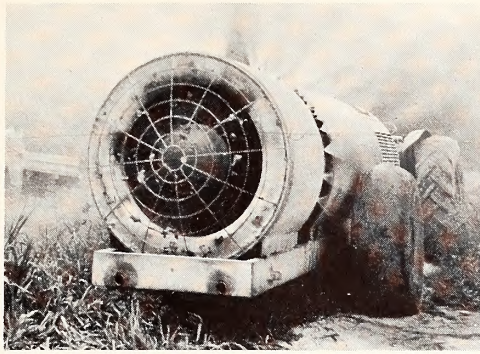
Tourist industry in the Yancey,

Mitchell and Avery County area is booming. Sporting the highest point east of the Rocky Mountains, Mt. Mitchell and the highest county seat in Eastern America, Newland, the area attracts many tourists. Some other notable attractions are Grandfather Mountain, oldest rock formation in the world, Beech Mountain and Sugar Mountain—two of the finest year-round resorts to be found.

We of the Employment Security Commission are part of all these activities mentioned and believe in the future of our area.

It has been our policy in the past and will continue to be in the future to assist in conducting MDTA courses on pertinent subjects, such as ornamental shrubbery, Christmas tree growing, trellis tomatoes and cucumbers and strawberry production. It is our belief that through these courses, on the job training contracts and other programs we can help our citizens become more productive in order for western North Carolina to continue to prosper.





**"King Apple,"** the delicious product of western North Carolina. The western counties, with new orchards starting each year, are among the nation's greatest apple producers. Although spraying and packing is near automatic, apples still have to be picked by hand. Henderson County alone produced over four-million bushels last year and is one of the top ten apple-producing counties in the entire United States. The county employed over 3,000 workers in the apple harvest during 1970.

#### THE ASSIGNED FOREST CITY SECTION OF THE HENDERSONVILLE FARM PLACEMENT AREA AGRICULTURAL AND NON-AGRICULTURAL

Comer Curtis

The Forest City section of the Hendersonville Farm Placement and Rural Manpower area is comprised of Rutherford, Cleveland, Gaston, Lincoln, and Catawba Counties. The area is bordered on the west by scenic Lake Lure, and on the east by Lake Norman, largest man-made lake in North Carolina. Catawba County, with the All-America City of Hickory as county seat, is the northernmost part, and the southern border is the South Carolina state line. With the exception of the mountainous Chimney Rock-Lake Lure area, the rest of the Forest City Section contains the most level terrain of the Hendersonville Area.

North Carolina ranked first in the nation in farm population, and second in number of farms in the 1960 U. S. census, and the Forest City section tends to bear this out. There are farms scattered throughout the area. Labor surveys are made in the section, and crews are organized with a leader. These crews are then referred to

growers as needed. Wood crews are organized to set tree seedlings, and to do hardwood control. Workers are recruited for the Florida citrus harvest, and for the Canadian tobacco harvest; also for the vegetable and apple harvests in the Hendersonville area, and for the peach harvest in nearby areas and adjacent South Carolina areas.

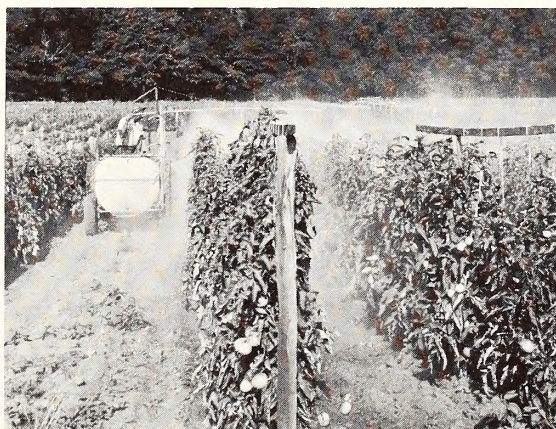
There is a local Employment Security Commission office in each county in the section with two offices in one county. Rural industries located in the more remote areas are contacted when requested by the local office. Individuals contacted in rural areas are offered referrals to jobs or MDTA training. Several referrals have been made to the Truck Driver Training School at North Carolina State University. Individuals in rural areas are referred to the local offices for counseling or referral to non-agricultural jobs if they desire mill or plant work, or other non-agricultural work. Returned veterans and Job Corps returnees are contacted in rural areas when local office personnel cannot reach them.

One hundred fifty-seven farm and woods employers from the section are registered in an employer registration and order book. Some 1,850 seasonal

workers aid in pre-harvest and harvest activities during the season. Migrant workers have helped at times harvesting trellis tomatoes, pole and bunch beans, squash, cucumbers, and apples.

Cotton is still produced commercially in the section and it is estimated that Cleveland County will produce 18,000 bales this year. Ten cotton gins operate in the county. Tree planting is encouraged in the section, and over a million tree seedlings are planted annually. The section is in better shape forestry-wise than many areas. One county in the section is third in the state in number of tree seedlings bought for forest management, and is growing wood faster than it is being used. There are several peach orchards in the various counties in the section. Each county has dairy farms with many milking over one hundred cows. Production of beef cattle is increasing in the section and three counties joined together last year to conduct a quality feeder calf sale. A second sale would sell over 1,000 head according to estimates.

The section is rapidly becoming part of an apple belt with new orchards planted each year. More young orchards begin bearing each year. The climate favors an early maturity date which in turn usually favors a better



The tomato is of enormous importance to the agricultural economy of the mountains and in the mass production of thousands of acres, machinery does a lot of the work. A machine has even been invented which will string the trellisses. Again, youth is a big source of hand labor needed for truck crop harvest and the job is made easier for them by this self-propelled carriage. At one pass, three rows can be picked at the same time while pickers sit. Crates are packed at the same time and left at the end of the rows.

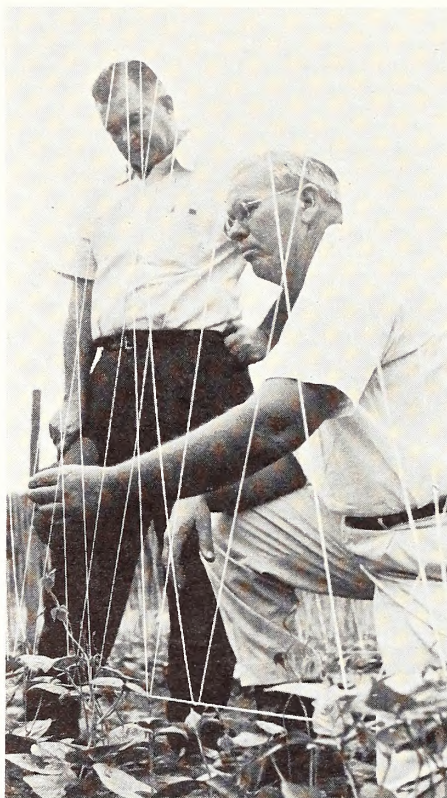


price. Christmas tree growing is on the increase in the section with new acreage set in Christmas trees each year.

Parts of the section have become known for their pumpkins, tomatoes, strawberries, creasy greens and mountain half-runner beans. One area near Lake Lure grows pumpkins and posts a sign which proudly proclaims "Pumpkin Center of the South." Molasses is still manufactured in areas and is sold in most of the rural stores. These areas are known for the quality of their molasses.

Changes in farming operations over the last ten years have seen cotton diminish acreage wise until the last several years when acreage increased somewhat. Mechanical cotton pickers are now in many areas. Acreage of farms has increased along with the national trend. Acreage in trellis tomatoes and apples is increasing in all the counties in the section. Acreage of vegetable crops has increased, and growers from the section help to supply the vegetable markets of Hendersonville and Asheville.

It has been estimated that the section will show tremendous increases in vegetable production, and perhaps seed corn production. In general, the future of farming looks good in the section with the increase in acreage of apples, vegetables, cotton, beef cattle, and activity in tree seedling planting.



This weird looking gizmo is actually stringing trellisses. Performing like a bobbin on a sewing machine, a series of chains operating off the tractor power-take-off does the job in one pass. Farm labor man Bill Brackett, top photo, and a local grower examine the handiwork of the tractor drawn trellis. Innovations such as this have kept the western farmer on top of the vegetable market by cutting labor cost and production time.

## UI LAW

(continued from Page 12)

rently, non-profit organizations are exempt from the law under certain conditions.

(4) Increase the taxable wage from the current \$3,000 to \$4,200 per worker. This is the wage subject to the unemployment insurance tax and is paid by the employer.

(5) Extend the duration of benefit payments from 26 weeks to 39 weeks if national insured unemployment reaches 4.5 percent (seasonally adjusted) for three consecutive months, or if North Carolina's insured jobless rate averages four percent for any 13 consecutive week period or exceeds by 120 percent the average jobless rate experienced during the same 13-week period during the prior two years. Half the cost of extended benefits would be paid for by the federal government. The State would pay the remaining cost but payments would not be charged to employers.

If enacted, the amended law would be effective January 1, 1972.

The unemployment insurance program is financed by a 3.2 percent federal-state tax on covered employer payrolls. The Employment Security Commission estimates that if the amendments are enacted taxable wages in North Carolina will increase to \$5.6 billion and tax collections will increase by \$5 million.

Money collected from the 2.7 percent state tax is deposited in North Carolina's unemployment insurance account and used for payment of benefits. The federal tax of .5 percent is used to administer the nation's employment security program.

New employers under the law would pay the basic tax rate for three years. Then, the North Carolina law provides an "experience rating" feature which would permit lower tax rates determined by the individual employer's history of unemployment.

In North Carolina the minimum unemployment insurance benefit is \$12 a week. The maximum exceeds \$50.

Senator Rauch is Chairman of the Committee on Intergovernmental Relations, and Representative Mauney chairs the House Committee on Employment Security.

Their bills were introduced so North Carolina law will comply with provisions of public law 91-373 which President Nixon signed August 10. Considered by State officials as compromised legislation, P.L. 91-373 makes significant changes to the federal-state unemployment insurance program, but nevertheless permits states to retain basic control over their individual employment security laws. It is more acceptable to State officials than H.R. 8282 which was defeated in Congress several sessions ago.



# Nation's First Crew Leader Class In N. C.

By TOMMY RHODES

Asst. Supervisor, Farm Labor and Rural Manpower Service

The Farm Labor and Rural Manpower Service of the North Carolina Employment Security Commission is credited with sponsoring the Nation's first crew leader training courses funded under the Manpower Development Training Act of 1962.

The need for developing and training local crew leaders to assume a greater role in harvesting the agriculture crops in the State has become increasingly apparent during the past several years. This has come about by a continued decline in the supply of available seasonal farm workers, especially interstate migrants.

The original idea for developing our own State work force through some type of training course came from Frank Nance, Farm Placement Representative at Beaufort. The idea was revived about a year later by Curtis B. Gilliam of the State Farm Placement and Rural Manpower Service.

The purpose of the proposed courses was to train local crew leaders and potential crew leaders in the various facets of leading people in agriculture and forestry work.

Under the advisement of T. D. Adams, Supervisor of the Farm Labor and Rural Manpower Service, Gilliam met with Hugh D. Cashion, Supervisor of MDTA, to determine if such a program would be feasible. Were it not for the diligent efforts and assistance of Cashion and his staff, the project would never have gotten off the ground. Mr. Cashion's staff followed through on the intricate details of funding and aided Mr. Gilliam in setting up a curriculum for the courses. Related agencies with similar interests in such a program were solicited for their assistance in initiating the program. Also, North Carolina Technical Training Schools were contacted to determine if they could handle such a training program.

Two pilot projects of 10 weeks were eventually decided on, one at the Wilson County Technical Institute, Wilson, and the other at the Robeson County Technical Institute in Lumberton.

The first 40 enrollees were selected on the basis of their interest and their leadership potential. We also considered the opportunities for farm work within commuting distance of their home. The classes got under way in January of 1967. Training included the following: basic education, simple record keeping, bus and truck maintenance, camp maintenance, field and home sanitation, child care and home-making, highway safety, first aid and

medical self-help, regulations covering transportation of farm workers, tree setting, hardwood control, pulpwood cutting, sound harvesting practices of major crops and the basics of supervision. In addition to basic education, the following federal and State agencies and private organizations contributed toward meeting the objectives set up for the courses:

Department of Conservation and Development—Forestry Division.

State Department of Health—Public Health Nursing.

Migrant Ministry Project—N. C. Council of Churches.

N. C. Department of Agriculture—Marketing Division.

N. C. Department of Education—Migrant Children Department.

State Board of Health—Sanitary Engineering Division.

Vocational Rehabilitation Department.

N. C. Motor Vehicles Department—Driver's License Division.

U. S. Department of Labor—Wage and Hour Division.

Governor's Committee on the Handicapped.

Farm Home Administration—Economic Opportunity Division.

N. C. Department of Public Welfare—Public Assistance Section.

Horticultural Extension Service—N. C. State University, Raleigh.

N. C. Motor Vehicles Department—Training and Inspection Division.

U. S. Dept. of Health Education & Welfare—Social Security Division.

Riegel Paper Company, Riegelwood, N. C.

Cates Pickle Company, Faison, N. C.

Farm Bureau Liability Insurance—Liability Insurance Division.

The Flower Growers Association of N. C.

The Blue Berry Industry of N. C.

Farm Placement Personnel (local, district and state)

N. C. Employment Security Commission.

N. C. Peach Growers' Association.

N. C. Sweet Potato Association.

Representatives from these agencies conducted training sessions to explain their services to the crew leaders. The crew leaders received additional instructions from the Farm Labor and Rural Manpower Service and other Employment Service personnel dealing with simple record keeping, the contracting and harvesting of various crops, organization and operation of crews, counseling services, veteran serv-

ices, services to the handicapped, the Human Resources Development concept, public relations and cooperation with other agencies.

Crew leader training courses have been conducted each year beginning since 1967 with an enrollment of 40 students per year. The classes are conducted during a ten week period beginning around January 15 and ending in March. Retention rate has averaged close to 90 percent for all classes. Plans for two more classes in 1971 have been completed.

Follow-up interviews with crew leaders who completed the 1967 course revealed that their earnings rose by an average of 22 percent. They had more days of work per week, less worker turnover and better job performance. It is estimated that over 2,000 seasonal farm workers felt the impact of the first graduating class.

It is interesting to note that basic education was given a somewhat minor role in the first class of 1967. The success realized in the class was so phenomenal that in subsequent classes more emphasis was placed on it to the extent that one one-half of class time is devoted to this subject. The educational level of the students ranged from less than first grade ability to high school graduate level. Basic education was taught on an individual basis as much as possible due to the variation in the educational level of the students. It is estimated that the grade level of the classes on an average advanced two years. In follow-up interviews with the students they were asked what they liked most about crew leader school and practically all answered "basic education." We were very much surprised at this.

Training by the State Board of Health Special Migrant Project, and by representatives of the Sanitary Engineering Division of the State Board of Health, were next in popularity.

We especially commend the President of Bladen County Technical Institute and his staff for the fine job they have done in continuing the crew leader training course after it was necessary to shift it from the Robeson County Technical Institute in order to be nearer areas of opportunity in agriculture.

Miss Judy Smith of the N. C. State Health Department made a scheduled appearance before the class at Wilson Technical Institute on an unusually cold day and the heating system was on the blink. Miss Smith offered to excuse the class but they said "no."



They wanted to hear what she had to say. They felt that if she could travel from Raleigh to Wilson in inclement weather that they should listen to what she had to say. Miss Smith made her presentation as the entire class sat in their overcoats. Miss Smith stated that she had never seen a more attentive class and was amazed at their eagerness to learn from her instructions.

Frank Page, instructor for the crew leader training course at Wilson County Technical Institute for the past four years, furnished a scope of the course which is followed at Wilson Technical Institute. Mr. Page has handled the crew leader training at Wilson Technical since its inception four years ago and has been very instrumental in its success.

Several trainees stated that they had no idea government people could be so helpful. Their prior experience with several agencies had been restricted to being apprehended by enforcement officials.

## CREW LEADER CURRICULUM

### A. Your Job

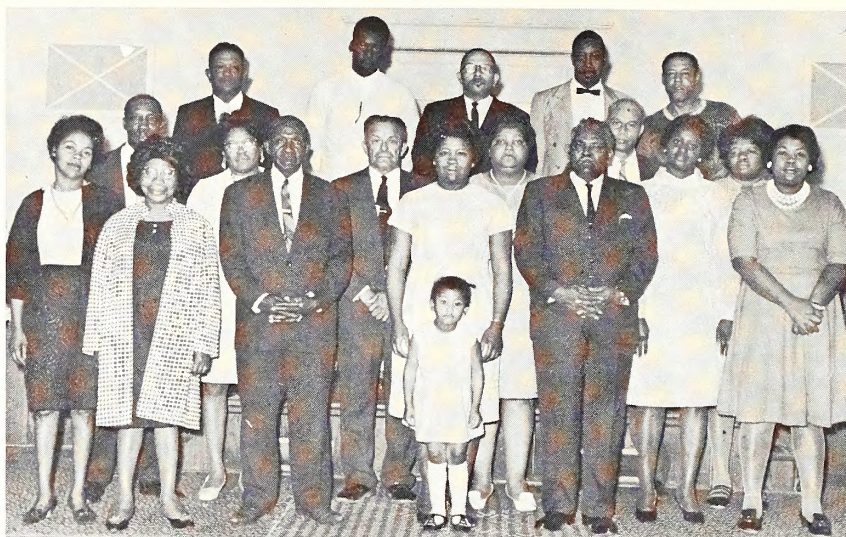
1. The need for your job in our society.
2. The importance of your job to the nation's economy.
3. Your desire to do a good job.
4. Your ability to communicate your ideas and desires to the workers in your group that you will be responsible for or working with.
5. Your job will be one of public relations man between employer and employee.

### B. Recruiting Labor

1. Locate job or work to be done.
2. Contact local Employment Security Commission office.
3. Explain what work you have to offer workers.
4. Never mislead a worker by giving him wrong or inaccurate information.
5. Don't hold back any facts the worker should know.
6. Let the worker know what will be expected of him and don't vary from your instructions.

### C. Keeping Workers on the Job

1. Bear in mind that the worker is a human being.
2. Treat them honestly and fair (establish confidence).
3. Learn your workers by name.
4. Be able to talk freely with them.
5. Encourage initiative, it's reward and chances for promotion.
6. Encourage thrift, plan for a better tomorrow.



In best bib and tucker, the first class ever conducted for farm crew leaders convenes in North Carolina. Paid for by the federal Manpower Development and Training Act, two courses are conducted each year. Note that nearly half those attending are women.

### D. Supervision of Workers

1. All workers are different, they think, act, talk and have different views and emotions.
2. The worker, too, must know the job to be done and instructed as to the correct and acceptable way or method of doing it.
3. The crew leader must understand the entire operation and be able to communicate this knowledge to his crew.
4. Complete understanding between employer, crew leader and crew is a must.
5. Inform the crew what wage they will get before carrying them to the job site.
6. Correct supervision will tell the story of success or failure for you as a crew leader.
7. Never forget that pat on the back or a word of praise for a job well done.
8. No one ever forgets the pick up that comes with a deserved commendation.

### E. Criticism of Workers

1. When a worker is not performing satisfactorily.
2. On the job under the influence of alcohol.
3. Paying little or no attention to details or instructions.
4. Beating time.
5. No respect for property or rights of others.
6. Handling problem cases.
  - a. Talk to worker, when not observed by others and warn him.
  - b. When all corrective methods fail to get results, fire the worker.

### F. Obtaining a Job

1. Learn the work you will be

doing.

- a. Different jobs require different ways and means of handling.
2. Sell yourself, your services, to the anticipated employer.
  - a. Convince the employer that your crew will start on time and give him a good job with his interest at heart.
3. Crops Requiring Most Labor
  - a. Know the crop you will be working with, how long its peak of freshness will last.
  - b. Know when the product is too ripe, too green, too long, too short, too large or too small to fit into the finished product to be marketed.
  - c. Know the harmful effects of too much sun, rain and cold weather has on the product.

### G. Keeping Jobs or Work Available

1. Climatic conditions (early or late seasons) determine the early or lateness of a crop.
2. Know what crops are or will be available in a given area or state.
3. Contact Employment Security Commission well in advance of season when peak of labor is needed, they can keep you informed and save you time and money in excess time and travel.
4. Keep crew members informed of future work and explain all details ahead of time.
5. Keep in mind that you have a product to sell, "your services".
6. Always remember that you will want to repeat this performance year after year. To do this you will have to do the best job possible.
7. Correct handling of fruit, berries and certain vegetables.
  - a. Use gloves when needed. Avoid bruising, scarring,



- mashing or excess crowding when harvesting.
- b. Care of placing produce in crates, cartons, baskets and bags.
- c. Learn how to handle each product from harvesting, grading, washing, waxing, packaging, labeling and crating for final delivery.
- d. Your services will be in greater demand the more you know about the complete operations.

#### H. Sanitation—Health

1. Always crowded conditions.
  - a. Laundry facilities meager, few or none.
  - b. Bathing facilities inadequate.
  - c. Cooking, eating and sleeping quarters inadequate.
2. Corrective measures.
  - a. Bathe daily.
  - b. Change all clothes daily, especially socks and underclothes.
  - c. Keep body odors down to a minimum.
  - d. Keep food and cooking utensils clean and protected.
  - e. Always, at the start of a day's work, present a clean, neat appearance, shave regularly.
  - f. Launder and air bed linen regularly.
3. Care of campsite.
  - a. Always use toilets for human waste disposal.
  - b. Never allow garbage, paper, cans and junk to accumulate in camp area.
  - c. Avoid all fire hazards.
  - d. Obey all rules and regulations set up by the State and Federal departments having control over the camp.
  - e. Learn to live and work with people.
  - f. Work out problems in orderly manner, if any develop.
  - g. Keep whiskey, wine and beer to a minimum.
  - h. Plan problem preventiveness.
  - i. Visit health center at least once each year for screening tests.
  - j. Keep all immunization records up to date.

#### I. Traffic Concern

1. Why bother?
  - a. Many workers in loaded buses have been killed.
  - b. Drivers not dependable, don't know or pay any attention to the traffic laws of the state.
  - c. Drivers tired, distance from home or camp too great.
  - d. Complete or partial disregard for traffic laws.

- e. Insufficient vehicle and cargo insurance coverage.
- f. License, permits, etc. for interstate and intrastate travel not complied with.

#### J. Transportation

1. Responsibilities of drivers.
  - a. Safe transfer of workers to and from work area.
  - b. Meeting time deadlines.
  - c. Failing to correctly judge the speed of oncoming cars.
  - d. Failure to stop at all stop signs.
  - e. Entering railroad crossing with train approaching.
2. Safety precautions on bus.
  - a. Having bus or truck equipped with fire extinguishers, front and rear door exits, first aid kits and scotch blocks.
  - b. All windows in workable condition.
  - c. All seats and other bus furniture in good state of repair.
  - d. All passing, turning, running, caution, stop and back up lights in working condition.
  - e. Identification of bus and contents.
    1. This bus stops for all railroad crossings.
  - f. Manually operated stop sign.
3. Small mechanical repairs and maintenance.
  - a. Clean spark plugs and set gaps periodically.
  - b. Replace burned out light bulbs.
  - c. Replace worn fan and generator belts.
  - d. Clean and/or replace oil and carburetor filter.
  - e. Change oil and grease as necessary.
  - f. Daily maintenance—check oil level, tire pressure, visually check tires for cuts, bruises or other defects. Check muffler and tail pipe for rusted out spots and cracks. Remember these cracks could let carbon monoxide into the bus and cause death.
4. Bus Sanitation
  - a. Keep all trash, paper and all types of litter cleaned out of the bus.
  - b. All left-over food, drink bottles and milk cartons should be removed from the bus daily. It could create a fire hazard.

#### K. Records

1. Why keep records?
  - a. Records are used in determining the earnings of daily, monthly and yearly opera-

tions.

- b. Provides a basis for determining ways to increase your income by finding and correcting weak places in your operations.
  - c. Furnishes accurate information for filing income tax, Social Security reports, financial statements for credit purposes and other reports relative to your job.
  - d. Provides a historical record of events and transactions for future use.
2. Social Security Tax (crew leader).
    - a. A crew leader is treated, under the law, as an employer for the purposes of these taxes and must be responsible for collecting these taxes from workers, who qualify, and sending these taxes to the proper places.
  3. How and why to deduct Social Security tax.
    - a. Employer collects 4.8 percent from taxable wages paid on employee for Social Security.
    - b. Employer pays or matches the 4.8 percent to the employee tax, making a total of 9.6 percent for Social Security.
    - c. Basic rule of who pays Social Security—Employee who works 20 days or more for the same employer during one calendar year—Employee who earns \$150.00 or more from the same employer during a one year period.
  4. Record Keeping a Must.
    - a. Changing of employees.
      1. Number of days worked and amount earned.
    - b. Keeping a daily record of employees, state, federal and Social Security taxes collected.
    - c. Keeping a daily time record on each employee.
    - d. Keep a record of all expenses, bus maintenance, gas, oil, tires, money loaned and all job related expenses that are tax deductible, your records will show this.

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# JO BANK

By MELVIN STARNES

Manager, Greensboro Employment Security Commission

THE story is told of a sportsman who had been experimenting with cross-breeding techniques. In trying to breed a St. Bernard Dog to a Jackass, he hoped to produce an animal that could deliver brandy with a "kick" in it. And so it is with the Employment Service as we have experimented with new concepts in an effort to put a little kick into our program of services—a little kick that will lift us into the mainstream of manpower activity and sustain us as the primary manpower agency in the community.

Our most recent innovation, the Computer-Assisted Greensboro Area Job Bank is a step in that direction. Computer application to local office operations and its accompanying hardware has projected participating ESC Offices in the Piedmont Triad into the 21st Century. Gone are the days when local office interviewers had to shuttle back and forth between their desks and job order file cabinets—gone are the days when they had to wait on other interviewers to finish with a job order before they could have access to it—gone are the days when orders used to get lost or misplaced in one of a thousand places in a local office—gone are the days when placement staff used to spend a significant portion of their day writing job orders and verifying referrals, time that could have been spent in the provision of service to applicants and employers—gone are the days when referral to jobs in adjoining communities, communities even within commuting distance, was a cumbersome process.

Enter: a new era in Employment Security, an era that provides a system for taking, monitoring, and updating job orders daily without cumbering

placement staff with these time-consuming but important duties—an era that conveniently equips each placement interviewer with a modern and impressive microfilm reader-viewer—an era that provides a system through which placement interviewers receive daily updated job order files on microfilm, files that encompass job and training opportunities in all communities participating in the Job Bank—an era that provides placement interviewers more time to engage in the professional aspects of their job—an era that encourages mobility in the workforce by exposing workers to jobs in a larger labor market area—hopefully too, an era that will spawn professional growth, initiative, imagination and creativity on the part of our staff as we go about our job of providing manpower services to a varied and diverse community.

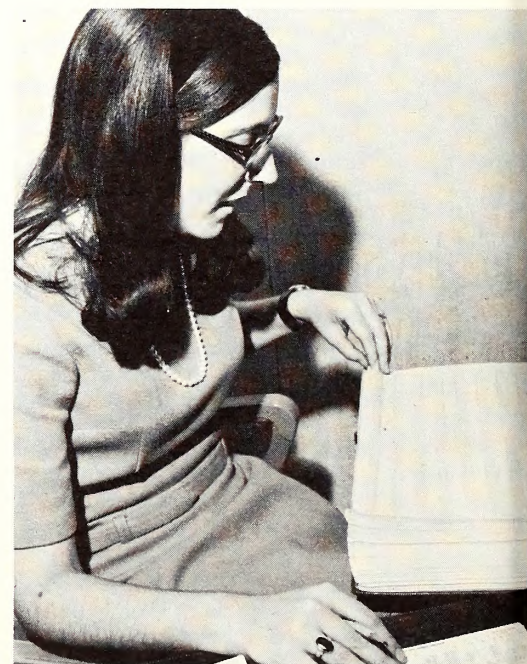
In addition to Greensboro, the Job Bank serves High Point, Thomasville, Eden, Reidsville and Burlington, North Carolina. Eventually the Job Bank may well include the remaining ESC Offices in the Piedmont Triad Standard Metropolitan Statistical Area. In essence, six of eight cities that make up one big labor market area have been brought together under the Job Bank umbrella. Commuting patterns are fairly well established between these cities. For example, workers commute in significant numbers between Greensboro, High Point and Winston-Salem; Greensboro and Burlington; Greensboro and Asheville; Thomasville and High Point; Eden and Reidsville; and from Eden and Reidsville to Greensboro.

The Job Bank is centrally located in Greensboro where all job orders are

taken and made ready for the computer and microfilming processes. Foreign exchange telephone lines are provided between participating cities to facilitate communications between employers, local office staff, and job bank staff.

The Job Bank is dependent on computer services purchased from Arista Information Systems, Inc., Winston-Salem. In a matter of minutes, its computer can list several thousand jobs in the Job Bank Area. Along with the job openings, the computer lists just about all the information the placement interviewer could possibly want concerning employment conditions: the number of openings, how many applicants the employer wants to see, the rate of pay, experience and education requirements, physical demands, working conditions, employee benefits, and a thumb-nail description of the job duties.

Each day the computer prints out a Job Bank book of approximately 200 pages plus supplementary indexes and reports useful in monitoring and updating the system. As the computer prints out the Job Bank book, it eliminates all jobs that were filled the day before and adds all new jobs that were received from employers throughout the Job Bank area. The computer then generates a magnetic tape of the Job Bank book which is fed into a microfilm "com" unit where it is microfilmed in a matter of minutes. The roll of microfilm is duplicated 31 times and then distributed by courier to the six participating offices—the entire process having



Employment Interviewer Rebecca G. Price of the Greensboro office reconciles Job Bank's daily computer printout. Each day the computer prints out a book of about 200 pages.





Referral and placement supervisor Mae C. Hall, Interviewer in the Greensboro office, interviews an applicant while using microfilm viewer to display job listings. On the right, referrals are verified. Interviewer Edythe Gilbert (foreground) and Nancy Meyers check to see if persons referred to jobs were hired. One staff member spends practically all day verifying results of applicant referrals by telephone.

transpired between 5:00 p.m. the evening before and 8:00 a.m. the next morning. On receipt of the daily delivery of microfilm and to insure confidentiality of employer information, the previous day's microfilm, except for one roll for the permanent file, is destroyed.

Through a single unit in the Greensboro Local Office, the Job Bank is divided into two sub-units:

Workers in the *Order-Taking and Verification Sub-Unit* take all job orders in the six-city area, monitor the status of those orders, and verify the results of all referrals. On a normal day, order-taking interviewers receive between 25-45 job orders from employers in the Job Bank area. Order information is recorded on "Job Order

Forms" which are designed for key-punching purposes. As orders are completed, order takers routinely prepare "Job Order Action Summaries" which prod placement staff to search the applicant file for suitable referrals. Numerous calls are received from employers and placement staff throughout the Job Bank area providing information which affects the status of orders in the system. Adjustments are made to job orders and appropriate computer printouts in response to these calls and as necessary to keep the system current. One staff member spends most of each day verifying results of applicant referrals by telephone. As time allows and through their regular contacts with employers, order takers also gather and record verification information.

Central Control, the second sub-unit, is the nerve center of the Job Bank for it is here where the status of all employer orders is kept current from minute to minute. Also this unit controls referral of applicants. For example, if an employer lists an order for one stenographer and asks to interview two applicants, referrals are limited to two unless the employer finds the first two unacceptable. If by chance the employer hires the first applicant and that placement is verified before a request is made for the second referral, then the second request is denied because the job order is in a "placed" status. As is readily discernible, this keeps us from swamping employers with unnecessary referrals and at the same time keeps us from sending applicants on wild goose chases.

With the foregoing duties now assigned to specialists, the placement interviewer can spend more time serving the applicant community. Placement interviewers mount their microfilm on their "reader-viewers," scan it for suitable job listings as they interview applicants, and call "Central

Control" for permission to refer as they settle on a job for which the applicant qualifies and in which he demonstrates an interest. If granted permission to refer, the interviewer prepares an "applicant statistical card," a portion of which serves as the applicant's introduction to the employer and a portion of which is used to put the referral and the applicant's characteristics into the system. If Central Control refuses permission to refer, the interviewer again scans the film for other suitable openings. At the end of the day, documents from the Job Bank and placement units in all participating offices are transmitted to Arista Information Systems, Inc., for use in the next day's update.



Central control operator Marguerite Pearson takes a call requesting permission to refer an applicant. After review, she will either okay or deny the interviewer's request.



Linda Thompson, Lumberton interviewer, punches information in to a Job Bank computer located in Raleigh. Linda can also seek job and applicant information from the computer.



Implementation of the Greensboro area Job Bank has not been without incident—implementation of data processing systems seldom are—yet, the Job Bank concept has been well received by local office staff, employers and applicants throughout the area. There have, admittedly, been exceptions—usually out of a lack of understanding of what the Job Bank is supposed to do. For local office placement staff, it has provided more time for work with applicants. For employers, it has provided an efficient service and exposure of their job openings to a broader cross-section of applicants. For applicants, it has provided an efficient service and exposure to a broader cross-section of job openings. While the Job Bank concept has gone a long way in helping us modernize local office operations, it simply represents the first step as the Employment Service pushes forward into more sophisticated systems which will eventually lead to computer job matching, self service stations, and who knows where.

#### EDEN

The Job Bank has proved itself to be a worthwhile instrument in the effort to promote the Local Office as a comprehensive manpower center. It has enlarged the range of job information available to the staff and has served to streamline the referral process. Service to the employer has been broadened immensely by exposing his order to a larger applicant group. As a result of the broadened opportunities which the office is able to offer each applicant, increased enthusiasm has been noted among job seekers and office staff. Although the Job Bank has been operating during a period of a depressed local economy, it has been well received by both job seekers and employers, and has increased local office effectiveness in serving all applicant groups . . . Daniel M. Spence, Eden office.

#### REIDSVILLE

Local Office personnel here are enthusiastic over the Job Bank operation. Our placement personnel have more jobs to select from as the openings shown on the viewer cover the Triad area. Placement Interviewers state that applicants seem to have more confidence in the placement service. Most area employers have been cooperative in placing orders with the Job Bank.

Although the economy in Reidsville is down considerably from last year, we have been able to maintain

approximately the same number of placements as last year. Presently, very few job openings exist in Reidsville. Over 50 percent of our referrals and placements this month (December) have been in Greensboro through Job Bank. . . . Donald J. Kelsey, Reidsville office.

#### HIGH POINT

In view of present economic conditions, it is next to impossible to give a complete and accurate appraisal of the Job Bank system as it affects the High Point area. We have experienced a decline in employer orders and placements, but realize that economic conditions have contributed materially to this. Nevertheless, it is our feeling from observation and comments from employers that many of them are not receptive to placing an order in another city when they are primarily interested in local workers. It is our feeling that many employers feel that since Job Bank is located in another city that it is something set aside or apart from their area of concern, and it eliminates, to an extent, the close working relationship developed over past years between employers and local office staff members.

It is also believed that timing in implementation of a system such as this is most important. In this instance, Job Bank was introduced at a time when we were moving from a tight labor market into one of decreasing labor demand. Implementation during a period of strong labor demand would have greatly enhanced employer acceptance of the system . . . William A. Hollar, High Point office.

#### BURLINGTON

Burlington was the last office to become an active part of the Greensboro area Job Bank and of course this was to our advantage as most of the operation problems already had been encountered and many of them solved. I'm not sure that the time of our entry into Job Bank was appropriate as our County had been hard hit by unemployment, particularly in the textile and hosiery field, and most of the times either were curtailing and working short time or hiring replacements only when absolutely necessary rather than trying to expand their operation.

Many of our applicants want to work locally and are not interested in commuting, even though jobs might be available in other areas in the Job Bank. Many cannot finan-

cially afford to consider working out of the area.

Even with all the short comings and limitations of Job Bank, we feel that this is a step in the right direction. Our staff is enthusiastic with the potential of this system and most of our employers feel that it can be of great value. We know that this system has much to offer and that it will work if we make it work. However, we feel it can never reach its maximum potential and benefit until we get a computerized system of matching applicants with job openings and the area served becomes larger . . . Everett W. McNeilly, Burlington office.

#### THOMASVILLE

The Thomasville office staff is pleased with Job Bank. It gives us a much larger number of jobs to work with. Employers seem to like the idea. The operation has added prestige to the local office both from employer and applicant standpoint . . . Wilfred R. Eddinger, Thomasville office.

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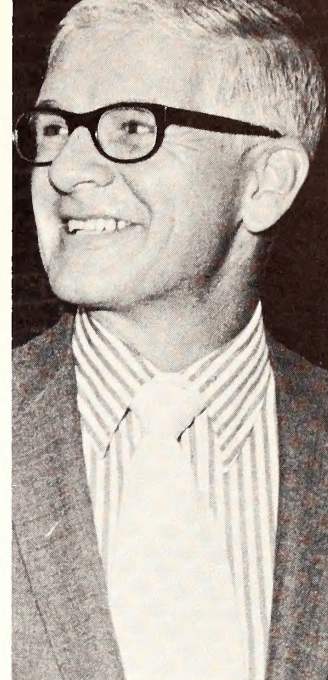
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# Don't Be Hangdogs, Take Positive Approach, Employer Tells ESC People

A Speech By JACK H. ALDRIDGE  
Vice President of Industrial Relations,  
Package Products, Inc., Charlotte



Aldridge

Thank you, Mr. Fleming. I respect honesty and integrity too well not to start with a confession. I'm not here exactly as a friend of the family. My invitation to speak with you came as a result of some rather straight-forward conversation several months ago.

Two of your very talented representatives, and I mean that sincerely, called on me and wanted me to level with them on why we were not using their services. Level we did—I with them, and they with me. Personally, I profited by this experience. Shortly thereafter, I was asked to come and say to you the same things I had said to them.

Not having Spiro Agnew or George Wallace's type of courage, nor being as stupid as some of my friends think, I wasn't about to do such a foolhardy thing. To level with two men behind closed doors is one thing. To take on two or three hundred people in a meeting like this is quite another. And probably more important, I am tired of being preached to about how I should or should not do my job, live my life, etc. And frankly, I think you are also. So I accepted this invitation only after I felt I'd found a way to express my thoughts constructively and positively. My objective then is not to tell you what you're doing wrong, but how you might do it better.

Let's start with some clarification about the subject that is on your program, and a little about myself. First, I probably don't know as much about your business as I should, but I won't let that stop me. Secondly, I'm only going to talk about one segment of your duties—filling jobs. And thirdly, my remarks will be directed to your innerface role with your business and industrial counterparts—not the applicants. I feel each of us has a similar relationship with the applicant, but I will deal only with how you should “come on” with your business customer.

Yes, I said customer, because that's exactly what he is. He is a guy whose needs you try to fill through your services. He is as vital to you as our customers are to us. If you buy this concept, then we're ready to begin looking at some of the ways a market-representative sells his product.

Sometimes it goes something like this:

“Thank you, Mr. Prospect, for giving me a few minutes of your time. I know how terribly busy you are. (He nods impatiently—did you ever hear anyone admit that he wasn't busy?) I want to acquaint you with our model XYZ widget, which is the answer to all of your problems. We make these widgets out of titanium, which I'm sure you know is a very expensive metal. These products are precision machines, and when sent to you, they are packed in styrofoam for the ultimate in protection. Our people are fanatics about quality. We won the “Widget of the Year” award for last year's model, which ought to say something for the kind of product we make. Some of the biggest companies in the country use our products. Now, I'd be glad to take your order, and show you what we can do.”

At this point the prospect may say, “I get my widgets from another source, but I'll let you know if I ever have an interest in yours.”

Back comes the Marketing Representative: “I know the sources you're using, and you're paying too much for widgets.”

Response from the Prospect: “Point is, I'm happy with what I'm getting.”

“Yes,” says the salesman, “but we make them, too, and I can't understand your being unwilling to get the same widgets for less dollars. In fact, we've been calling on you for many years and have been somewhat surprised by your continued reluctance to use our product.”

Prospect: “That's the way we operate, and if we ever change, we'll give you consideration. Can you find your way out okay; if not, I'll have my secretary see that you get back to the lobby.”

Not a very effective call, was it? How about this one:

“Thank you, Mr. Employer, for giving me a few minutes of your time. I know how terribly busy you are. I want to acquaint you with the services of the Public Employment Service, as we've got the answer to all of your employment problems. We continually assess the characteristics of the shifting labor market, and current information

on labor demand and supply needs. We counsel and test individuals for you and try to help these people who don't know what they want to do, or who have trouble holding their chosen jobs. We give specialized attention to people who are given legal preference, such as veterans and those who have employment problems because of age, inexperience, disability, or race. We provide special services to individual employers to help them use the available work force and to resolve recruitment, screening, training, turnover, and other staffing problems. We provide assistance to the community, to create a maximum stable employment in the community by using our area skills survey and our industrial skills survey. There are a lot of local companies who use our service, and I'm sure that you have some job openings, too.”

At this point, Mr. Employer says, “We get most of our people through employee referrals, newspaper advertising, and private employment agencies. But we'll let you know if we can ever use your services.”

Back comes the interviewer, “I know you get some good people this way, but it's far more expensive than through our service.”

Response from the prospect: “The point is, I'm happy with what I'm getting.”

“Yes,” says the interviewer, “but we have well-qualified people too, and I can't understand your being unwilling to get the same quality people for less dollars. In fact, we've been calling on your firm for many years, and we have been quite surprised by your reluctance to use our service which has been established by the law for many years and one which your tax dollars support.”

Prospect: “That's the way we operate. If we ever change, we'll give



you consideration. Can you find your way out?" etc., etc., etc.

Okay, what are the common characteristics of these calls?

1. They're not realistic, principally because they're somewhat contrived and considerably condensed. But don't be deceived—that kind of a call is repeated day in-day out by industrial salesmen and by public and private employment representatives.

2. They start with the negative psychology that you're doing me a favor by giving me your time.

3. Apparently, both men had done an adequate job of prospecting (widgets/people were needed).

4. They dwelled on "features or details" of what was being sold, and not enough on the benefits.

5. They used referral selling ("Some of the biggest companies"—"A lot of local firms use our services") in a clumsy and vague sort of manner.

6. There was virtually no involvement of the prospect.

7. On a more positive note, they did include a trial close.

8. There were hidden objections, which both representatives reacted to, but were never able to uncover.

9. Nothing was salvaged out of either call.

I'm sure you could list other inconsistencies and failings, but I think these give us enough to handle in the time we have allotted for this discussion.

Let's start with your customer. He may be rude, dumb, incompetent, opinionated, or morally degenerate. He may be lovable, sharp-as-a-tack, effectiveness personified, flexible, or a pillar of propriety. He may even be some weird combination of all these traits. All of this, of course, is really superfluous. The fact is, "he's the customer" and that's all that counts. You have to sell him, not love him, not trick him, not outmaneuver him, not out-argue him—just sell him, and provide him with the services he needs. The principal rule here is one we spend a lifetime relearning, and that is it's what he thinks that's important—not what you think.

If you call on him with a superior attitude, you're in trouble. If you play the subservient role, you're not any better off. Witness our two calls, "Thank you for giving me a few minutes of your time. I know how terribly busy you are", etc. What does this say? It says my time is unimportant, and yours is important, and the initial footing becomes a great deal more uneven. You're already sitting there, facing all those status symbols, so don't give him the additional advantage of an apologetic opening. He already has a big hammer called "I don't want any." So let's keep the game as even as possible.

If you need to "psyche" yourself on this count, just remember that

most of his on-going education comes from people like yourself. He knows this, too. When he deals with a professional, even if he doesn't buy, he gets something of value from the conversation. He likes to deal with competent equals, not servants, not masters, and so do you. Adopt then, the unstated but implied stance that we're going to do some business together that will be to our mutual benefit.

Know whether or not he actually uses widgets. Prospect; do your homework. Here's where a job well-done will disarm your prospect. If he can feel that you're genuinely interested in his business and have taken the time to do your homework, you may find him sitting in your lap, figuratively of course. Let me tell you why. He's tired of dealing with phonies who spend two minutes looking at the company name, and then trying to extrapolate or associate similar business needs or problems with his. He can ask the caller a couple of questions, and it soon becomes clear that the guy doesn't have the foggiest idea what he's talking about. Your competitors in the private agency field trap themselves all too frequently in this area.

Recently, I had a call about a packaging salesman that was just the guy I'd been looking for, because the agency representative said he knew my business so well that the match was perfect. He charged persuasively and confidently through all the personal and educational data. The applicant didn't sound half bad. Then he hit his work experience and began describing the man's several years of responsible, technical, selling experience on complicated form and fill packaging equipment. His work experience sounded outstanding. Only one problem. With the exception of a rather specialized custom line of label im printers, the majority of our business is in converting paper, foil, film, and paper board into packaging materials for our customers. We don't sell them packaging equipment as such.

What had he done? He saw packaging equipment on the resume, and this became a "perfect match" for Package Products Company. I shudder to think what he may someday refer to America Enka under their old name, let alone what kind of a background he might sell as a perfect match to their newly coined name "Akzona."

Is he a bum for making a mistake? Certainly not. But he lost creditability with me because he tried to con me with a "perfect match" based on a superficial prospecting job. He was not professional. His homework showed that he was an amateur.

You folks have a much better base for prospecting. You're basically career people. You have all kinds of opportunities to do professional

prospecting. And you're smart enough to know that most any employer is sufficiently proud of his business to want to tell you four times more than what you need to know about his business, if you'll just ask him to tell you about it. It feeds his corporate ego.

Every product or service has many fine features or sound ideas. And you know yours extremely well. Like most marketing representatives, you know them too well. You've heard the quotation, or perhaps the song, that talk about walking a mile in another man's moccasins? Well, when you sell me, do so in my moccasins and not yours. Don't just tell me about your features, or sound ideas, your titanium widgets, expensive metals, precision machine parts, computerized job bank, sophisticated psychometric techniques, nationwide interarea recruitment system, etc., etc., etc. If you do, you're still in your moccasins. Get in mine and tell me what the darn things do for me. I'm a selfish human being, and my hot button is what makes my life better, easier, less painful, etc. Sell me benefits or desired results. Now, did I say don't talk about features or sound ideas? Absolutely not! What I'm saying is don't ever use them unless you quickly and consistently relate them to benefits. Three and a quarter million electric hand drills were sold in this country last year. Did the three and a quarter million people want drills—hell no! They wanted holes! Sell me holes and I'll buy your drill without having the foggiest idea how or why it works. The same thing applies to your area recruitment system. Tell me what it does for me and tell me about it several times and several different ways. Never assume I got the point the first time. You know what the word assume does to us, don't you? Write it down on a piece of paper as you're seated there. Now draw a line between the second "s" and the letter "u." Now draw another line between "u" and the letter "m." And that's exactly what it does. It makes an ass out of you and me. And always be on the lookout for that golden opportunity when I raise an objection about your product or a question that you thought was clearly answered. A customer rarely objects or questions without some underlying interest. This is a buying signal. And every time you get a buying signal, you're getting mighty close to getting a sale. One more admonition with respect to covering features and benefits. Give the customer a kiss. That means, Keep It Simple, Stupid.

If you tell a prospect that many big companies use your services or that a lot of local firms rely heavily on you to fill their employment needs, it's good marketing strategy. But your prospect may think, so what! and boy, you had better recognize how many times people say "So what" behind



their masks, because you don't get many "so what's" before the glazed eyes and turned-off minds come into play. Refer then specific companies and people by names. Pick ones that the man can relate to. Firms about his same size. If you think he feels that his personnel staff is too sophisticated to need your services, then this is the time to use the big firm with monstrous personnel staffs who rely heavily on your services. If he's real small, use the names of strong supporters who are comparable in size to his business. Your objective is to make him pause and wonder if he's not missing a good bet since "old so-and-so" is using your services. But in all referral selling, make sure you're using friends of the family. Because he may just make a phone call or two after you're gone. So sell smart.

Involve your prospect. Get him into the act. Ask questions. Get him talking about his employment problems, his satisfactions and dissatisfactions with various recruiting methods. Look for ways that you can help him soothe the pain. You're all good interviewers. You are because you know how to get people to talk and then to listen to what they're saying. A poor salesman can be described as one who talks, talks, talks, and then can't understand why he can't get an order. A good salesman talks/listens/listens/listens/talks/listens/listens/listens/talks/listens/talks/listens and closes. If you don't get your prospect involved and then listen to him, you'll never see the buying signals.

Never be afraid of objections. If you don't know what they are, then it's impossible for you to know how to handle them. They're really opportunities, but only if you handle them intelligently and correctly. Here's a simple method for handling objections that has worked for many salesmen, and I believe will work for you. It involves learning one word and the word is ready. R-E-A-D-Y:

R—Stands for reverse them.

E—Stands for explain them.

A—Stands for admit them.

D—Stands for deny them.

Y—Stands for Why.

How would it work for you? Let's see if we can make it work.

Suppose your prospect says, "I don't like the idea of having to give your people so much detail about each job in order to get applicants. It ties up too darn much of my time—" "Well, Mr. Prospect, it is time consuming, but isn't it pretty much the same thing you do when you place an ad in the paper? You have to cover some of the detail of the job and the job requirements in the ad in order to save yourself unnecessary screening time. And you also probably do the same thing when you list with a private employment agency, or when you put out the word to your employees

that you have openings that you would like them to make referrals against." What did you do with the objection? You just reversed it, you turned it around on him.

Let's say he says something like this: "Why do you want me to let your people come into my plant and nose around? I don't like outsiders, particularly governmental agency people coming into my operation." "Well, Mr. Prospect, it isn't exactly mandatory, but it does help us to better understand your needs and problems. We have a wide variety of services that we can offer you, but we can do a better job of doing so if we are more in tune with your needs and desires and the kind of business that you run." What have you done? You gave a simple explanation to the reason why you want to come into his operation.

Suppose he says, "I don't want all these unemployables. And the guys that you deal with are a lot of down-and-out people." "Well, Mr. Prospect, that's partly correct. We do deal with a lot of down-and-out people. We admit this readily. Our country is facing a serious manpower shortage over the long haul and we're charged with the responsibility of helping every willing person be turned into a contributing member of our society. I'm sure that you share our concern on this score." In this case, you've quite honestly admitted to the man's objection, and one in which you can take pride rather than shame.

Suppose he says something like this: "I hear that labor unions have free access to your files and can get their hands on any information that I might give you." "Mr. Prospect, someone has done you a great disservice by telling you that, because that is just not correct. It just is not accurate. There is no access to our files by any outside organization." The objection is untrue. We don't dignify it by anything other than an out and out denial.

Or finally, suppose he says: "I object to your suggestion that I refer unneeded applicants that might come in to file application with me to your office." "Why do you object to that, Mr. Prospect?" This is the kind of objection that you don't need to meet head on or to explain or to admit or to deny, but let him develop for himself why that's really an objection. Chances are he'll convince himself that it is not valid or legitimate, or he may, in the attempt to convince himself of this, give you a much more meaningful objection that he hasn't stated as yet.

Never get into arguments with the prospect. Very simply because you cannot win. Be prepared to take some lumps and live to play the game on the next call. Handle his objections in a straightforward manner, try to win him over, but don't duel with him. And above all, don't try to intimidate him, because he'll find all kinds of

ways to get around you. Sell him, don't beat him.

Salvage something out of your call. Try to get even one job listing on a trial basis, on thirty days or sixty days, whatever he'll go for. And then go back to your office and work like a banshee to come through and show him you can do what you said you can do.

So much for the marketing approach. Now I'd like to close with a few very brief thoughts that may sound negative. I offer them to you with positive motivation and hope you'll accept them in that light.

You have a slightly tarnished image. Like most images, you don't completely deserve this, but in some cases, I'm certain that you're partly to blame. Much of business and industry does not feel that you are identified with them. They see you as a police-dog agency, dealing primarily with unemployment compensation matters. In their eyes, you're concerned with numbers and not quality. I think you need to work on this image. I think you should do things like having open houses to bring in industrial and business representatives and showing them what you do and what you're capable of doing. I think this is an opportunity for them to meet your people and give your people a chance to dispel some of the stereotype views they may have. If it's possible, you might want to consider setting up some quasi-advisory groups of local industry or business people to help you deal with some of the unstated image problems that may exist in your community.

I think you need to avoid the hang-dog philosophy that nobody understands you, and take a more positive approach to the things that you have to sell. You can do this in part by being involved in service clubs, professional groups, and work like hell to be recognized as a contributor and not just someone who belongs because it's a place to make contacts.

I'm convinced that you have some fabulous success stories to tell of, but I don't think they're getting sufficient publicity. I think it's time for you to do a more aggressive job of ballyhooing the real tangible successes that you have helped bring about in local business and industry.

I think you need to take a serious look at criticisms that are leveled at you and see if it's not possible that some of them are justified, and then set out to do something to correct them.

It has been my pleasure being with you today, and if there's a little time left, I guess it's only fair to say that if the format allows it and you have any questions that you'd like to put to me, I'd be glad to try to answer them for you.





# NOT BY ACCIDENT

Reprinted From *Hypotenuse*  
Published By The Research Triangle Institute

**D**URING 1970, traffic deaths in North Carolina declined for the second consecutive year. They also declined nationally, but only for the first time in recent history. In the face of a 5% increase in mileage driven each year, these decreases suggest that someone must be doing something right. The figures for the last three years are:

	1968	1969	1970
U. S.	55,200	56,400	55,520
N. C.	1869	1810	1751

Usually, an increase in mileage would imply an increase in accidents, which would then imply an increase in fatalities. And indeed, the public has come to expect that a continual increase in traffic deaths from year to year is almost inevitable. But North Carolina's example, since two consecutive years of decrease can hardly be fortuitous, shows that this need not be.

Understanding the causes of traffic accidents is the primary factor in being able to prevent them. Although a broad-spectrum approach to the problem (stricter law enforcement, better driver education, more thorough vehicle inspection, and so forth) will probably result in some improvements, an accurate knowledge of how and why accidents occur will enable preventive efforts to be concentrated on the most dangerous and most frequent causes.

Unfortunately, however, accident records as they now exist do not provide enough information for in-depth analysis. This is understandable, since law enforcement officials at the scene of an accident are chiefly concerned with providing first aid, summoning medical help, determining what law violations may have occurred, and the like. They do not now, nor can they reasonably be expected, at present levels of staffing, to spend the time necessary to make a comprehensive analysis of all the contributing factors involved in an accident while other, more urgent matters are pressing. Similarly, insurance investigators are chiefly interested in determining extent of damage or injuries, civil fault, and so forth. Thus, much of the information needed as a basis for improving safety is gathered as a by-product of other types of investigation. And many types of information which would be of great value to safety programs are not gathered at all.

Under a contract from the U. S. Department of Transportation's National Highway Traffic Safety Administration, RTI is taking part in an in-depth, multi-disciplinary study of traffic accidents in North Carolina. Statistics Research Division group manager Carl Nelson and project leader Dr. Herb Hill are in the driver's seat along with Ray Garriss, Ron Kirk, Fred Tyner, and Leonard West. Assisting as consultants are Dr. Richard Page Hudson, Jr., the State's chief medical

examiner, and members of his staff. Fifteen other research institutes, foundations, and universities across the country are conducting similar studies.

The research proposal explains the reason for and purpose of the project. "The National Highway Traffic Safety Administration has been authorized by Congress to organize a nationwide study and to recommend positive action that will reduce the human slaughter and the gross financial losses that are associated with vehicle accidents. As a first step, it is necessary to understand as completely as possible the nature of vehicle accidents and the associated causes. Studies are to be conducted by multidisciplinary teams involving the sciences of medicine, engineering, sociology, etc. Until several years ago, all accident data gathered at the scene of an accident was recorded by law enforcement personnel. These personnel, though competent and dedicated, are normally overworked at the scene of an accident and are able to make only a cursory determination of the accident's causes. A positive step implemented by NHTSA is to have multidisciplinary accident investigation teams determine the accident scenario, and the primary and secondary contributing factors. This team is not necessarily burdened with the tasks of law enforcement agencies, such as caring for the injured, promoting safety at the accident site, directing traffic, and removing vehicles, and



therefore is able to devote its entire efforts to a thorough examination of all conditions at the scene. The field data is then analyzed further by a highly skilled accident review board that examines all pertinent evidence in an attempt to isolate exactly what events led up to and what precipitated each particular accident."

For each accident the RTI team attempts to determine six things:

- The cause of the accident,
- The cause of injuries,
- The effectiveness of new automobile safety features,
- The presence of design and functional problems of automobile and highway,
- The effectiveness of the Federal Motor Vehicle Safety Standards,
- The effectiveness of the Federal Highway Safety Program Standards.

The team covers accidents in the three counties of Durham, Orange, and Wake within 15 to 20 miles of the Institute campus. Although this circle includes the towns of Chapel Hill, Durham, and Raleigh, the team investigates only those accidents which occur outside city limits. This is so they will have to deal with only one law enforcement agency—the State Highway Patrol. The RTI team notes that its relationship with the Patrol has been extremely cordial. Officers must frequently use their own time to assist the team's investigations. But without the permission of the Patrol, the project would have been impossible, and without their active cooperation, it could not be very successful.

The accident investigation process begins with a telephone call to RTI from the Highway Patrol troop radio dispatcher in this three-county area. A cooperative agreement assures that the dispatcher will notify the accident investigation team as a part of his normal procedure for alerting other emergency vehicles and directing them to the scene. As a backup to this telephone system, the team also monitors the appropriate Highway Patrol frequencies both at RTI and from a mobile receiver while on call.

The team then travels to the accident scene in the white Plymouth sedan with a green flasher that used to be parked by the Hanes Building, now by the Ragland Building. (It has the singular distinction of being the only car at the Institute with a reserved parking space.) Because of the 15 to 20 mile limit for investigations, the team can arrive at the accident within 30 minutes. This quick access is important, because otherwise they may not arrive until after cars, people, and other objects have been moved, thus not obtaining much of the data they need.

As soon as the investigation team arrives at the accident, one member immediately begins taking pictures of the scene. The other members assist

the Patrol until the injured have been given emergency attention. They then begin their own data gathering. Since the Highway Patrol's objectives include rapid cleanup of the area to reduce the risk that debris and damaged cars might cause an additional accident, the team must gather data as quickly as possible on those things that are likely to change with time.

Photographing begins at once. Next the team tries to obtain statements from the involved parties and witnesses before they leave the scene. Then measurements are made of the positions of vehicles and occupants. Other observations, such as skid marks or damage to surrounding objects (trees, bridge abutments, etc.) can be recorded after the cleanup period.

For purposes of investigation, the team considers three factors: human (drivers, passengers), vehicle, and environment (type of road, weather, time of day). Each of these factors is examined for three different time periods: immediately before the crash, during the crash, and after the crash.

Information collected about human factors will include such objective statistics as age, sex, race, height, weight, marital status, physical impairments, educational level, occupation, type of drivers license, driver training, and driver history, which are normally gathered by the Highway Patrol. But these items are only the beginning for the RTI team. They now start to delve deeper.

For the pre-crash period, they try to determine, for instance, where the drivers were coming from, where they were going, if they were behind schedule or in a hurry, if there were physical or emotional problems which could have impaired driving ability, if the drivers were unfamiliar with the car or highway, if their driving ability was impaired by drugs or alcohol, if the car was overcrowded, or if something distracted the driver's attention.

For the crash period, the team tries to determine the motion of the occupants during impact, what objects within the vehicle they struck, if they were ejected from the vehicle, and if

they were securely fastened. The post-crash investigation will cover apparent injuries, medical treatment, hospital or physician's records, and time required for recovery and extent of recovery.

Vehicle factors include type and age, general mechanical condition, odometer reading, condition of tires, brakes, steering, and other essential items, and a detailed description of damage sustained. At least a cursory examination of each involved vehicle is made to determine if a mechanical or engineering failure contributed to the accident. If such a failure is suspected, the vehicle is given a thorough inspection, which sometimes requires disassembly. Funds are available to purchase these damaged vehicles if necessary.

Environment factors are the external circumstances surrounding the accident. These may include conditions such as the weather, time of day, type of road, road surface, curves, hills, intersections, speed limit, signs or markers, other cars on the road, and the record of previous accidents at that location. The geometric configuration of the road, as well as the location of vehicles at various stages of the accident, is shown on a detailed map or diagram.

In addition to all the data on human, vehicle, and environment factors, an elaborate scenario is constructed for events before, during, and after the accident. Verbal description is supplemented by a large number of color slides.

Just what is the value of this study? The team members caution against drawing conclusions from the limited number of cases that they've worked with, 30 to February 1st, but the Highway Traffic Safety Administration hopes that the nationwide aggregate of data from all 16 institutions involved will provide enough information to form a basis for action. For example, dangerous roadway features can be identified, and corrected or avoided in future highway design. Railroad crossings show this kind of design improvement. They are almost never built on grade anymore because such an intersection has been



The investigation team locates the scene of an accident (left) and upon arrival begins photographing immediately. Seeking causes, they examine the event exhaustively.



found to be so hazardous. Instead, highways pass over or under the railroad tracks.

The contribution of the vehicle itself to accidents and injuries can be determined, along with the value of vehicle inspection.

Do driver training courses really produce safer drivers? The study can help find out.

And locally the team has already made significant contributions. On its recommendation, dangerous or confusing highway signs have been removed or changed. One especially hazardous intersection, the RDU airport road with U. S. 70, has been identified, and recommendations have been made to the Traffic Engineering Department of the State Highway Commission.

But the value of such investigations can be best summarized by realizing that without accurate knowledge of how and why accidents occur, efforts to reduce them are destined to be scattered and of only sporadic effectiveness.

This multidisciplinary accident study is not RTI's only effort in traffic safety. Eight other projects in the Statistics Research Division and the Operations Research and Economics Division are either now in progress or have been recently completed, for a total contract revenue of about \$2 million.

• For four years now, monthly Traffic Systems Reviews and Abstracts have been prepared for the Department of Transportation. These critical reviews and abstracts cover the areas of traffic flow theory, communication and control systems, and cost effectiveness methodology. They receive wide distribution through the Clearinghouse for Federal Scientific and Technical Information. Articles for review are selected by a search through journals, reports, and conference proceedings. They are then forwarded to a specialist in the field who prepares a review including such points as: the type of reader for whom the article will be of value or interest, the actual or potential value of the article, any errors or limitations, connection with any other published work, and an evaluation of practical applications.

• Another project shows how deviation (faster or slower) from the speed of surrounding traffic is related to accidents (*Hypotenuse* November '68 and October '69).

• A study has been made of licensing procedures to help screen out potentially dangerous drivers.

• A comprehensive study is being made of North Carolina's traffic records system so that it can better fulfill its function of providing information to enforcement and licensing agencies and to those engaged in planning and research (*Hypotenuse* July '69).

• An analysis of N. C. accident data

has been made to determine the relationship between traffic flow and accidents.

• A study has been made for the U. S. Forest Service aimed at improving safety on roads in national parks.

• Investigations are being conducted on the relationship between drug usage and driving history.

• A three-year project is under way in Charlotte-Mecklenburg to study the effects of drinking-driving countermeasures (*Hypotenuse* July '70). In the Winter 1970 issue of *Signal 99*, the official publication of the Governor's Highway Safety Program, the Charlotte-Mecklenburg project was given extensive coverage. Elbert Peters, coordinator of the Governor's Highway Safety Program, was quoted as saying, "Out of this project may come an entirely new approach in dealing with the drunken and drinking driver." In describing the beginning of the project, the *Charlotte Observer* said, "We all know we don't drink too much ourselves, but we all have friends who do. So the campaign's theme is, 'Let's Keep Our Friends Alive.'"

## RADIO

(continued from Page 3)

were recruiting and handling their labor.

Subsequently, the U. S. Department of Labor granted \$10,500 to the North Carolina agency for this purpose and in 1965 the base station in Elizabeth City, utilizing a low band, guarded frequency, and nine mobile units, went on the air.

"At first," explains rural manpower supervisor W. S. "Bill" Riddick, "the radio was a novelty. But we got used to it pretty quick. Now we can't do without it."

After more than a quarter of a century recruiting farm labor, Riddick believes the mobile communication system "is an excellent working tool of the rural manpower service."

"We've got quicker communications. Saves miles and saves telephone calls. Better service," Riddick enumerates. "Most local growers have it themselves," he explains.

The Elizabeth City tower installed in 1965 is 150 feet, self-supporting, low band-guarded frequency unit. In the first year, use of the new communications system resulted in a reduction of telephone and travel expenses, enough to pay for itself. The Department of Labor, according to Riddick, documented a reduction in overtime of 2,000 hours.

The Department of Labor studied the system and recommended that it be expanded, and a supplemental budget of \$49,500 was approved to install the Mount Olive unit. In Mount Olive, the base station and 23 mobile units cover 15 counties. Coverage in Elizabeth City includes eight counties, and the

Washington unit covers 14 counties. Elizabeth City and Washington broadcast on the same frequency. Mt. Olive's frequency is different, but mobile units can switch frequencies, or communicate with mobile units in other sections by going through base stations.

All systems, of course, are licensed by the Federal Communications Commission, and the FCC conducts periodic audits. One person is required to man the base station transmitter and receiver at all times when the unit is licensed to be on the air, and all check in's and out's are recorded in the base station's log.

Broadcast range around each mobile unit is estimated to be between 30 and 40 miles. Base stations carry about 90 miles.

All rural manpower representatives using the units are trained in proper FCC broadcast procedure. The procedure, which was once a novelty, is now second nature with the rural manpower representatives, and growers and workers alike are benefiting by it.

10-4?

10-4!

## FARM LABOR

(Continued from Page 3)

if North Carolina is to have an ample work force to do the farm work. It is necessary to do individual recruiting by going to the worker's home. The North Carolina Farm Labor Service will attempt to recruit the worker for farm work or woods work. However, if he cannot or will not do farm or woods work, we will try to help him by referring him to non-agricultural jobs. If he is not job ready, we will refer him for employment counseling, training, or to other agencies depending on his need.

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## DON'T FORGET. HIRE THE VET!

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**BETTER TRAINED.  
BETTER EDUCATED.  
BETTER MOTIVATED.  
HIRE THE VETERAN!**

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**TRAIN THE VETERAN  
ON-THE-JOB WITH  
GI BILL OR MDTA**

---





Herb Campbell, director of the ESC test research center, displays an award presented his unit by the Department of Labor for developing the test used by illiterates.

## ESC Develops Aptitude Test For Illiterates For Nationwide Use

Reprinted From *The Raleigh News and Observer*

A North Carolina Employment Security Commission research unit has played a major role in developing an aptitude test which allows illiterates to show their brainpower without answering baffling written questions.

The test will be used throughout the country by government employment agencies and private firms.

It is expected to open new employment doors to unschooled applicants who have been stymied by standard written measures. The impact could be specially significant in states like North Carolina with hundreds of thousands of poorly educated or completely illiterate workers.

Hugh Campbell, head of the ESC test research unit which has been cited by the U. S. Department of Labor for "outstanding contributions" to the test, said: "We have worked since 1966, and we were one of the key states in its development."

The test procedure reverses the roles of applicant and tester with standard aptitude exams.

To measure word and recognition skills, interviewers read to applicants while applicants circle pictures.

The questions begin simply: "Circle the coat in the picture," and become more complex: "Which picture has the arrow pointing to the zenith of the line?"

To measure skills with numbers, the test uses coins. "We feel that anybody can count money," said Campbell.

The method and the questions are

in contrast to standard written aptitude tests which contain such questions as: "Does B. C. mean before Christ?" and "Do the words 'adopt' and 'adept' have similar or contradictory meanings or neither?"

The U. S. Supreme Court, in a case involving Negro workers at a Duke Power Co. plant, ruled in March that such tests are racially discriminatory unless they relate to the job.

"Our tests have been endorsed by civil rights groups," Campbell said.

"Our tests can measure the same aptitudes as the general tests whether or not one can read or write. The development of the test grew out of this need for a test to measure the potential of these applicants. Quite a few are employable."

"It was really not fair to measure these people by the standard tests. We found that many had right much vocabulary even though they couldn't read or write."

Along with the aptitude test, the state unit helped develop an achievement measurement test which tells the actual educational level rather than the formal one.

"We can tell whether the applicant has a high school education achieved formally, or is actually reading at a lower level," Campbell said.

Coupling the two tests measures the side-by-side potential of illiterates and the formally educated and makes it possible to fit applicants to jobs they can handle.

## Winston-Salem ESC Begins Placement Project With FTI

Because of the mutual concern for the economic, social and educational welfare of the citizens of the Winston-Salem community, the Employment Security Commission and the Forsyth Technical Institute have entered into a unique agreement to provide on-campus employment services.

The local State Employment Office is providing a full-time employment interviewer on the institute grounds to help graduating students find jobs, the only out-station service of this kind being provided by the ESC other than the offices being maintained on military bases in North Carolina.

According to a report from FTI, the on-campus office is "in keeping with the mayor's efforts to consolidate the resources of existing agencies to provide a well coordinated manpower program in the city."

The ESC interviewer provides a variety of services to FTI alumni, students and prospective students, including the establishment and maintenance of active job application files, maintenance of an up-to-date copy of the Winston-Salem job bank, and employer contact.

The ESC placement office also assists clients with job resumes and coordinates with department heads and other officials activities relative to the placement service.

The Institute feels that this arrangement provides a more systematic approach to placement of students and alumni and broadens the scope of student services that Forsyth Tech now offers. "We are now able to reach more of our students with a more concrete arrangement for utilizing their marketable skills," according to Mrs. Audrey Kirby, Director of Student Services.

Groover Teeter is the Manager of the State Employment Office in Winston-Salem which is headquarters for the FTI employment office.

The ESC has similar agreements with the military. On the large military installations in North Carolina—Fort Bragg, Camp Lejeune, Cherry Point—the Commission maintains an office staffed by an interviewer. He counsels and interviews persons being released or retired from military service concerning civilian employment.



## RIDDICK

(Continued from Page 9)

The future of farming is tremendous and still growing. There are several thousand more acres under cultivation now than ten years ago due to intensive land clearing operations. Land that was considered too wet for farming has been drained, cleared, and placed under cultivation.

Camden County farmers are more mechanized than ever before. Several farmers have changed from four-row equipment to six- and eight-row equipment. The equipment is more specialized and complicated to operate. The demand for farm labor has changed drastically. Farmers need and demand more people with more technical know-how.

The best services available to the labor and employers in all programs is the goal of the Camden Farm Placement Representatives.

## WELLS

(Continued from Page 19)

cotton harvesters; bigger and better equipment for all phases of farm work. Major changes in individual crops are: tobacco, mechanical harvesters and bulk curing; cukes and pepper, riding harvesters and improved equipment for hauling product from field to packing sheds; sweet potatoes, riding harvesters that have finished produce at end of belt. There has been a great advancement in curing potatoes; namely, using one container instead of 18 or 20, as in the past, in the curing houses.

Still another major change in the agriculture field has been the change in marketing procedures of various crops. There are countless numbers of packing sheds which enable farmers to pack their crops at home and put them on trucks to be sent to markets throughout the U. S. These sheds have not only helped the grower receive more for his goods but has also saved him time. There are now canneries to help growers move their produce at a price other than fresh market, which enables him to have a more stable market and a longer market season.

One of the new sources of labor recruitment has been the organization of crews with crew leaders trained in local technical institutes. During the past years, FPR's have worked with the Farmers Home Administration in securing loans for capable crew leaders to purchase transportation to haul workers to various job openings.

Major changes have been noted with new programs to assist farm workers with the care of their children by providing Child Day Care Centers, care for migrants at health centers, and more stringent housing regulations for inter and intra-state workers. These programs have enabled us to recruit a better qualified inter and intra-state

worker. There has been and will continue to be a great demand for hand labor in Sampson County.

One can readily see the diversification of farming activities in Area C. Although the organizing of local crews and the obtaining of loans to purchase labor buses through Farmers Home Administration has been an asset, the demands placed on Farm Placement personnel for hand labor has steadily increased over the past ten years. This is attributable to the migration of rural people to existing and new industries in the area and has increased the responsibilities of Farm Placement Service. To supplement the supply of local workers, workers are brought in from adjacent Farm Placement areas both on an intra and day haul basis. Additional inter-state workers are required during the harvest season. Inter and intra-state orders are expected to increase during the seventies. All Farm Placement Representatives have put emphasis on upgrading housing for inter and intra-state workers, thus motivating them to do a better job.

The Farm Placement Program has changed a great deal during the past

ten years and will continue to change. We of Area C realize that a unit, department or organization must adapt itself to the changing needs of the community it serves in order to maintain an effective program of service. And service to the public is our business.

The areas and staff responsible for Area C is as follows: Wayne County, H. E. Thigpen, Thurman O. Pike; Harnett, Hoke & Cumberland Cos., Wiley O. Pope; Robeson and 1/2 Bladen County, Jimmy A. Leggett; Columbus and 1/2 Bladen County, L. J. Grant-ham; Brunswick and New Hanover Cos., Hughlon B. Garriss, Mazie B. Frink; Pender County, Richard A. Smith; Duplin County, Frank Kilpatrick; Sampson County, Henry A. (Buster) Precythe.

The immediate Mt. Olive area is served with Rural Manpower responsibilities by Mr. O. O. Conrad. This area is southern Wayne County and the northern fringes of Duplin County. Mrs. Nora Kearney assists all Farm Placement and Rural Manpower staff in the Mt. Olive Office in various activities.

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# Hire a veteran.

**A veteran construction worker,  
a veteran electronics technician,  
a veteran electrician,  
a veteran draftsman,  
a veteran cook,  
a veteran aircraft mechanic,  
a veteran medical technician,  
a veteran computer programmer,  
a veteran policeman,  
a veteran nurse,  
a veteran administrator...**

Veterans have experience in dozens of fields. And hundreds of specialties . . . many of them hard to find. Trade skills. Technical skills. Professional and supervisory skills.

In fact, the Services spend some \$3 billion a year on training! And there's over \$1 billion more available for training through the GI Bill and the Manpower Development and Training Act.

Disabled veterans receive special vocational

rehabilitation to provide them with skills.

Find out more about how your company can benefit from trained, experienced veterans. Or how you can train them—*your way*—in a government-supported on-the-job training program.

For help in hiring veterans, contact your local office of the State Employment Service; for on-the-job training information, see your local Veterans Administration office.

**Hire the Veteran. Hire Experience.**



ESC QUARTERLY



MISS ELIZABTH HOUSE  
LIBRARY COMMISSION  
RALEIGH N.C. 27601

EMPLOYMENT SECURITY COMMISSION OFFICES, ADDRESSES, MANAGERS, POINTS SERVED

Note: Pt. or Pts. means point or points served on regular schedule from local office.

Ahoskie — 107 N. Railroad St., James E. Hannan, Mgr., Pts. Gatesville, Murfreesboro, Jackson, Rich Square.

Albemarle—117 West North St., Claude C. Whitley, Manager, Pt. Mount Gilead.

Asheboro — 328 Sunset Ave., John B. Brooks, Manager, Pt. Siler City.

Asheville — 48 Grove St., Jack Edwards, Manager, Pt. Marshall

Boone — Watauga Court House, James A. Moten, Mgr., Pts. Jefferson, Newland.

Bryson City — Mitchell Building, Everett Street, Fred Riddle, Manager, Pts. Franklin, Cherokee.

Burlington — 336 W. Front St., Everett McNeilly, Manager.

Charlotte — 112 W. First St., Dwight M. Leonard, Jr., Manager, Pt. Cornelius.

Concord — 52 McCachern Blvd., Lewis B. Morton, Manager.

Durham — 516 N. Mangum St., Louis Berini, Manager, Pts. Chapel Hill, Hillsborough, Oxford, Roxboro.

Eden — 338 W. Stadium Drive, Daniel M. Spence, Manager, Pt. Mayodan.

Edenton — 709 N. Broad, Neil Thagard, Mgr., Pts. Hertford, Columbia.

Elizabeth City — 201 W. Ehringhaus St., Norman L. Pendleton, Manager, Pts. Manteo, Hatteras, Buxton, Ocracoke.

Fayetteville — 414 Ray Ave., Charles Burgess, Manager, Pts. Lillington, Raeford.

Forest City — 104 Yarboro St., George H. Ashley, Manager.

Gastonia — 359 W. Main Ave., Carl B. Harrelson, Jr., Manager, Pt. Belmont.

Goldsboro — 109 W. Ashe St., Mrs. Viola G. Billings, Manager, Pt. Mount Olive.

Greensboro—235 N. Edgeworth St., Melvin Starnes, Manager.

Greenville — 1002 Evans St., Lloyd Nooe, Manager, Pt. Farmville.

Henderson — 212 Arch Street, W. Hall Brooks, Manager, Pt. Warrenton.

Hendersonville — 141-6th Ave., E., Charles N. Erwin, Jr., Manager, Pts. Columbus, Brevard.

Hickory—716-4th St., S.W., H. D. Boyles, Manager.

High Point — 121 S. Hamilton St., William A. Hollar, Manager.

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Kannapolis — 212-B Oake Ave., Bobby Overcash, Manager.

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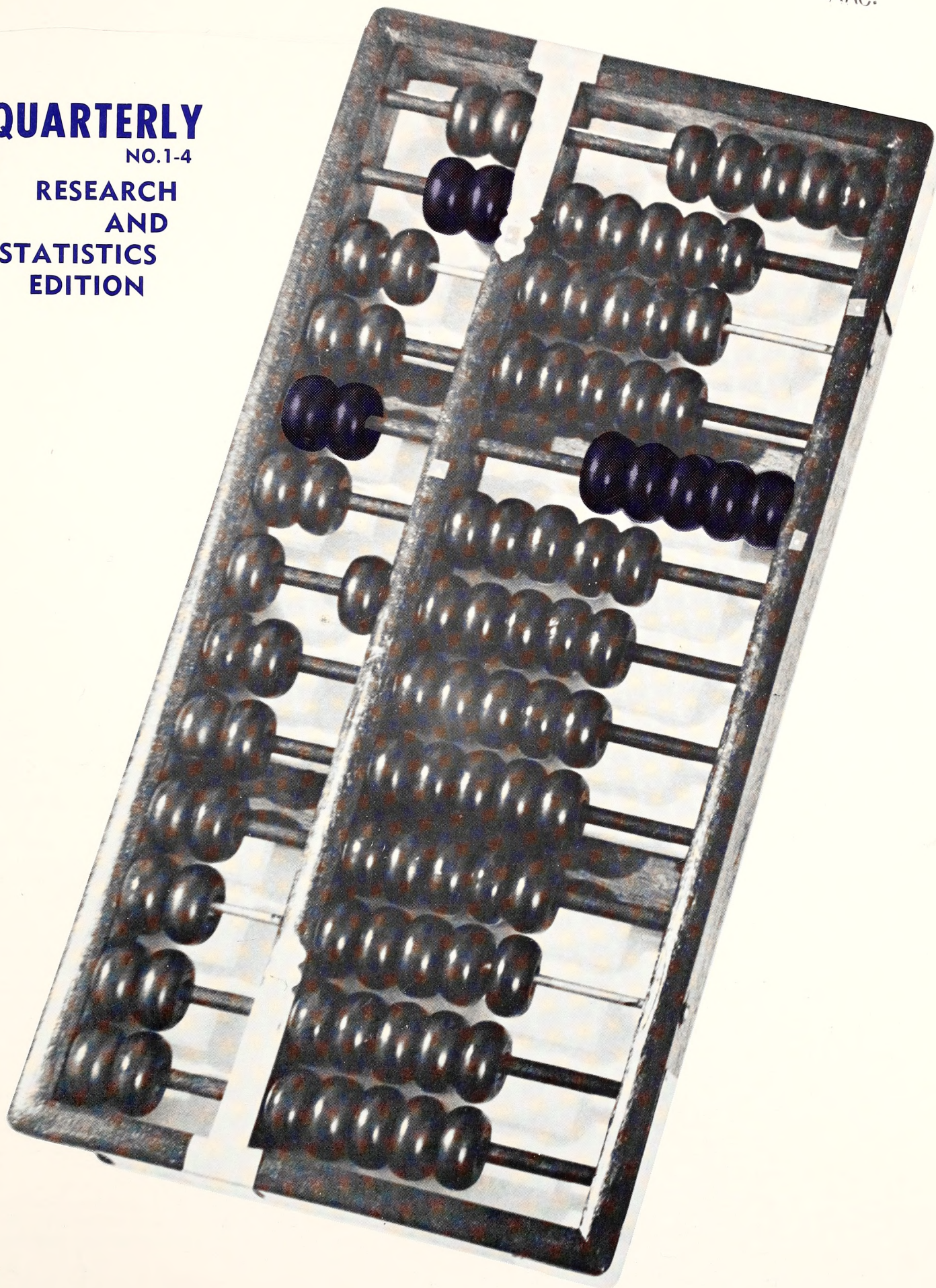
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**THE  
ESC QUARTERLY**

VOL. 28

NO. 1-4

**RESEARCH  
AND  
STATISTICS  
EDITION**







## CHAIRMAN'S COMMENTS

HENRY E. KENDALL

*Chairman*

*N. C. Employment  
Security Commission*

KENDALL

One of the most reputable sources of labor market information in North Carolina is the Employment Security Commission's Bureau of Employment Security Research—the topic of this issue of the *ESC Quarterly*.

Directed by Donald Brande, BESR has approximately 40 labor market analysts, research analysts, statistical aides and clerical workers, and occupies almost the entire fourth floor of the Employment Security Commission central office in Raleigh. The bureau also has seven labor market analysts stationed in six standard metropolitan statistical areas to submit reports required by the U.S. Labor Department in Washington.

Compiling data on almost every conceivable item within the insured and non-insured work force in North Carolina, BESR is a mainstay to industrial development in the State because it is the primary reference point for new employers seeking plant locations. Its studies of occupational shortages have also provided the basis for occupational training in North Carolina by the Department of Public Instruction and the community colleges system, and its figures on unemployment by region and county establish the allocation of federal funds.

About a dozen articles in this issue of the *Quarterly*, written by research analysts and the directors of the Bureau, illustrated the diversity of BESR's activities, and also its value to the State as well as to the Commission. BESR provides information to numbers of State and private agencies, and with its statistics, North Carolina's economic situation is revealed.

Last year's General Assembly passed a bill amending North Carolina's unemployment insurance law. Introduced to bring the State program into conformance with federal statutes, the bill was considered major legislation involving an insurance program over 30 years old.

Important provisions to the law included extended unemployment insurance coverage to additional workers in North Carolina by establishing liability of each employer employing one or more workers in 20 calendar weeks. About 138,000 additional people were brought under the bill.

For years coverage was extended only to employers of four or more workers.

An additional 33,000 employers were brought under the law by the 1971 legislation.

And for the first time, some State workers will be covered by unemployment insurance. Those employed in State hospitals and institutions of higher learning may begin accruing wage credits to provide jobless benefit payments during involuntary unemployment. Our BESR estimates that 20,000 State employees will be included in this new provision, and a story on the new UI law appears on page 33.

An article about the JAVA decision, a unique judiciary move affecting the rights of UI claimants in all states, is included on page 25.

A former college placement official expresses his opinions on job opportunities for college graduates, page 31, and the Public Employment Act, a federal program to provide jobs for unemployed and underemployed workers in public service positions, is explained on page 23.

# THE ESC QUARTERLY

Volume 28, No. 1-4, 1972

Issued at Raleigh, N. C., by the  
**EMPLOYMENT SECURITY COMMISSION  
OF NORTH CAROLINA**

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The Employment Security Commission administers two major State programs — Unemployment Insurance and the State Employment Service. The Employment Service provides expense free job placement to ap-

plicants through 60 local offices of the Commission. Unemployment insurance covers approximately 1,738,000 workers in North Carolina, providing them with benefit payments in case of involuntary unemployment. The Unemployment Insurance program is supported by payroll taxes contributed by approximately 78,000 Tarheel employing companies, firms and corporations. The Commission has operated since the mid '30's when it was established by the General Assembly as the Unemployment Compensation Commission.



I suppose that since our department is the only one in the Commission tagged with that much maligned title "Bureau," the "BESR" must be comprised of the only true "bureaucrats" in our entire agency. In fact, there are few "bureaus" left in all State government. Despite its rather ostentatious title, the Bureau of Employment Security Research in reality is one of several "joint service" departments of the Commission. Our chief function is to compile and coordinate most (not all) of the reporting programs for the agency, especially the seemingly

never-ending series of reports that ultimately are transmitted to the depositories of the Manpower Administration of the U.S. Department of Labor in Washington. Being "joint" in character simply means that BESR serves both the Unemployment Insurance and the Employment Service Divisions in reporting matters.

While the reporting of the agency's activities has always been our main "tour de force," the years have produced a gradual evolution of the Bureau from a mere reporting unit to a rather diversified research organiza-



GARRISON

## LABOR FORCE STATISTICIANS

# BUREAU of EMPLOYMENT SECURITY RESEARCH

By DAVE GARRISON  
Assistant Director

Bureau of Employment Security Research

tion. In the early years our department was known as "Research and Statistics." But when some wag once remarked that "the only things statistics will support are statisticians," we decided to drop the word statistics from our title.

The diversification of BESR activities is adequately depicted in the many articles prepared by various members of our staff for this issue of the Quarterly. They have attempted to tell the reader what BESR is all about, and even a perfunctory review of these articles will show that BESR is involved in a variety of programs—many of which have far-reaching influence on the social and economic development of North Carolina. Even so, not all of the functions and responsibilities of the Bureau are covered by articles. Much research goes on behind the scenes, some of which is not generally recognized as having been the product of the BESR, and some of which is never publicly disseminated. For example, research relating to legislative changes is conducted as necessary. The benefit formula and the experience rating tax structure of the Employment Security Law didn't get the way they are by "happenstance." Administrative recommendations to the General Assembly are based on alternative costing research studies conducted by the Bureau.

Currently the Bureau staff consists of 41 persons. Five additional staff members will join the unit early in 1972 when the new Occupational Statistics program becomes operational. For the most part, the day to day work performed by the Bureau staff is of the hard-nosed, practical variety. There isn't a single Ph.D. on the staff! Much of what we produce, however, is widely used by economists and researchers all over the country. So perhaps in that sense we do help "support statisticians" after all.



# Bureau Keeps Tab On Tarheel Workforce

By RUTH CRAVEN

Employment Security Research Analyst

The Labor Market information unit of the Bureau of Employment Security Research is responsible for compiling work force data for all counties of the State. Outstationed labor market analysts in the Asheville, Charlotte, Durham, Greensboro, High Point and Winston-Salem local offices compile current monthly data for nine counties and analysts in the central office compile data for the 91 other counties and for North Carolina.

Each year a publication is prepared which shows final employment with industry detail, unemployment, and work force estimates for the 100 counties, the defined multi-county labor areas, and the State. The publication is entitled *North Carolina Work Force Estimates by County, Area and State* and is released in August of each year. Each edition contains quarterly and annual average data for the most recent calendar year and annual average data for the prior six years.

The publication is designed to be a reference source for managers of local offices to use in answering questions concerning employment and unemployment in their administrative areas. The publication is distributed to regional and community planning groups, state and federal agencies, research groups, libraries, and private agencies who need employment and unemployment data for making planning decisions.

The data compiled for the work force publication are used by the Bureau of Employment Security Research in keeping abreast of unemployment development in all counties. Since federal assistance is provided counties with high unemployment under numerous programs, it is important that these counties be identified.

In North Carolina there are currently 11 counties classified by the U.S. Department of Labor as areas of persistent unemployment, i.e., unemployment above six percent for three out of four of the last calendar years. Thirteen counties are classified as areas of substantial unemployment, i.e., unemployment above six percent for the most recent calendar year and anticipated to remain above six percent for the near future. These 24 counties are eligible for benefits under the Public Works and Economic Development Act administered by the U.S. Department of Commerce as well as for benefits under various other programs of aid for depressed areas.

In order for an area to be classified as an area of high unemployment, a report must be submitted to the U.S. Department of Labor describing economic conditions in the area and showing current and anticipated employment and unemployment trends. If the U.S. Department of Labor classifies an area, current bi-monthly work force data are compiled and a semi-annual Area Manpower Review must be prepared and submitted to the national office. The Area Manpower Review contains a narrative section and a table showing current and prior employment and unemployment trends in the area. The report is supposed to access current and anticipated economic conditions in the area and copies of the report may be distributed to community leaders who need manpower information for planning and other purposes.

When current work force estimates are required, it is necessary to survey employers since it normally takes six to nine months for information collected on the Contributed Reports required by the Employment Security Law to be processed and tabulated. Current work force estimates are prepared for all the major metropolitan areas of the State and for all classified counties. A sample of employers is selected to survey from each industry category and a letter is mailed

to these employers. The employment trends in the sample firms are used as a basis for making current or preliminary employment and unemployment estimates. Each year when the tabulations of employment reported on the Employer Contribution Reports become available, the preliminary estimates are revised or benchmarked. The benchmarked figures are considered final estimates and are used as a basis for making estimates for the next year. The publication *North Carolina Work Force Estimates* presents final work force figures for all counties.

The Bureau of Employment Security Research began publishing work force estimates for all areas in 1962. The first edition entitled *North Carolina Labor Force Estimates by Labor Market Area* showed March, 1960, and March, 1961 data. The next three annual editions contained data for the month of March only. With the passage of the Economic Development Act of 1965, the need for annual average data became apparent. Therefore, the publication released in 1966 was changed and showed quarterly and annual average data for the year 1965 and annual average data for the years 1962, 1963, and 1964. This edition was entitled *North Carolina Work Force Estimates by Labor Area*. In 1968 the title was changed again to *North Carolina Work Force Estimates by County, Area, and State* and the order of presentation was changed so that county data was included alphabetically in one section, multi-county labor area data was included in another section, and state-wide data was included for the first time. Since 1968 the publications have remained basically the same.

The various publications have included supplemental data compiled by other agencies. Population, high school graduates entering work force and per capita income data are some of the items that have been included in various editions.

The work force data compiled in North Carolina are designed to be comparable to those prepared in other areas throughout the nation. Detailed methodology are provided by the Manpower Administration, U.S. Department of Labor. The following section defines and briefly explains work force, unemployment and employment.

The civilian work force is defined as the total number of employed and unemployed persons, excluding mili-



CRAVEN



tary personnel. All work force estimates prepared in North Carolina are for the civilian work force.

Many people are confused about the meaning of total unemployment. Total unemployment is defined as all people who did not work at all during a given week but who were able, available, and during the last four weeks had made a specific effort to look for work. Total unemployment, therefore, includes persons who are filing claims for unemployment insurance for a total week of unemployment, people who have exhausted their unemployment insurance benefits and are still unemployed, unemployed people who were disqualified from receiving UI benefits, people who have worked for establishments not covered by the Employment Security law and were not eligible for unemployment insurance benefits, and people who have never worked or who have been out of the work force for a time and are now seeking jobs.

Unemployment for North Carolina and for the 100 counties is estimated following the procedures outlined by the Manpower Administration, U.S. Department of Labor in the *Handbook on Estimating Unemployment*.

These procedures and methods are designed to give unemployment results comparable to those derived for the nation as a whole in the Labor Department's survey of 52,000 households. The estimating techniques that are available yield the total number of residents of a county that are unemployed. No procedures are available for deriving the characteristics of the unemployed.

Total employment is defined as the total number of persons who worked for pay or profit during a given week or who worked as unpaid family workers for 15 or more hours during a week.

The employment information is derived by using data from many sources. Tabulations prepared from the Employer Contribution Reports required by the Employment Security Law are used as a basic source. Information on number of people employed by firms not covered by the Employment Security Law is derived from Social Security information on firms employing less than four employees; Railroad Retirement Board information on railroad employees; special surveys of hospitals, colleges, county and city school systems, local government agencies, etc. and releases including Census of Government, Census of Population, and Census of Agriculture.

Since the data collected come from establishment payrolls, they reflect employment by *place of work*. The data differ from census data which reflect employment by *place of residence*.

# LABOR MARKET FORECASTS NEEDED IN ERA OF CHANGING MANPOWER

By ROBERT S. STEPHENSON  
Employment Security Research Analyst

In a growing economy, the occupational composition of the work force, as well as the skills required in each occupation, change through the years. Present manpower needs, therefore, are an uncertain guide to future requirements. In order to plan educational and training programs to meet future needs at the national, state, and area levels, projections are needed of these changing manpower requirements. To the extent that education, training and vocational guidance accurately reflect the changing character of manpower needs, imbalances between manpower requirements and labor supply can be reduced, economic productivity and the earning power of workers enhanced, and structural unemployment minimized.

Manpower planning prior to the 1960's played a minor role, except in wartime emergencies, in an assumed labor surplus economy. Planning tended to be restricted to those occupations in which manpower development required substantial lead time and, after Sputnik in 1957, to those regarded as crucial in advancing the nation's technological standing.

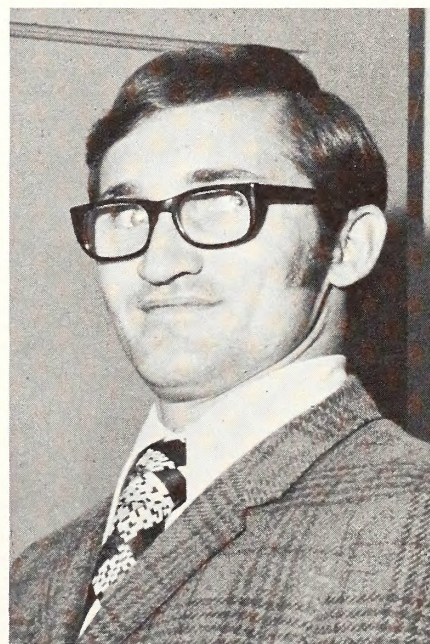
The need for more extensive occupational data was dramatized by President John F. Kennedy. In his initial *Manpower Report* in 1963, he wrote, "Manpower is the basic resource. It is the indispensable means of converting other resources to mankind's use and benefit. How well we develop and employ human skills is fundamental in deciding how much we accomplish as a nation. The manner in which we do so will, moreover, profoundly determine the kind of nation we become."

Tightening labor markets with some shortages of qualified manpower emerged as a sequel to the soaring economic growth of the early sixties. Manpower planning, based upon reliable information regarding occupational employment needs, aims to enlarge job opportunities and improve training and employment decisions. This is achieved through the power of informed personal choice and calculated adjustment to rapidly changing demand. By means of more intelligent training and career decisions, man-

power planning can enhance satisfaction on the job, raise the quality and utilization of labor resources, reduce the cost of industry staffing, and, thereby, increase the output of the nation.

Collection of occupational data and its corollary spinoff, the emergence of long-range forecasting techniques, have lagged behind other aspects of the job market information program for obvious reasons. The great expense in collecting data by occupation using the "skill survey" techniques, burdensome employer reporting, technical problems in translating employer job titles into standard occupational nomenclature, and problems in developing acceptable projection techniques are some of the more important reasons for such slow progress.

The spate of manpower legislation in the first half of the sixties, however, placed an urgent priority on the expansion of occupational information. In federally funded manpower training programs, there had to be a reasonable expectation of employment for the trainees upon course completion. Hence, the need arose for a forecasting technique which could



STEPHENSON



yield adequate data within available time and cost limitations.

The Vocational Education Act of 1963, in allocating millions of dollars for vocational training, specifically gives a mandate to the Employment Security system to provide job market information. State Employment Security agencies with no additional funding and with only the traditional and costly skill survey technique available to them, have in many instances been unable to furnish that information which by law they are obligated to provide. Being handicapped by a lack of funding, the skill survey approach gave way to the technique now in general use—a "regression-matrix model" based upon a national industry-occupational matrix.

*North Carolina Manpower Needs by Industry and Occupation to 1975* represents the initial effort of the Bureau of Employment Security Research to develop occupational projections for the state using the least-squares regression technique and a national industry-occupational matrix (table of staffing patterns). Total industry employment data for the years 1958-1968 were used to project the state's level of employment for 1975. Occupational employment projections were derived by computer application of a programmed national industry-occupational matrix to correspondingly detailed 1960 employment by occupation for North Carolina.

Significant changes in the industrial and occupational structure of North Carolina's economy have had and are continuing to have profound effects upon the number and nature of employment opportunities throughout the state. An analysis of total employment in terms of goods-producing and service-producing industries reveals that during the mid-1960's North Carolina became a service-oriented economy. The following table indicates that in 1960 for every 100 jobs in goods-producing industries there were 83 jobs in the service-producing

TABLE 2

Percent Distribution of Total Employment by Major Industry Division  
In the United States and North Carolina, 1960 and Projected 1975

Industry	Percent Distribution			
	United States <sup>1</sup>		North Carolina	
	1960	1975	1960	1975
Total, all industries	100.0%	100.0%	100.0%	100.0%
Agr., Forestry & Fisheries	8.7	4.4	18.1	5.3
Mining	1.1	0.7	0.2	0.2
Contract Construction	6.1	6.4	5.7	7.0
Manufacturing	26.0	23.3	30.6	34.8
Trans., Comm., & P. Util.	6.8	6.1	4.5	5.2
Wholesale & Ret. Trade	20.0	20.8	16.3	18.4
Fin. Insur. & Real Estate	4.3	4.5	2.7	3.6
Services	22.2	28.1	18.9	22.1
Public Administration <sup>2</sup>	4.8	5.8	3.0	3.4

<sup>1</sup> National employment estimates made by Bureau of Labor Statistics published in *Tomorrow's Manpower Needs*.

<sup>2</sup> Includes only those workers engaged in activities unique to government. All workers whose activities are also conducted by private industry are classified in their appropriate industry.

sector. By 1975, it is projected that for every 100 jobs in goods-producing, 112 will exist in service-producing industries. This trend is in keeping with our nationwide service-oriented economy.

Further analysis of the state's industry employment trends indicates several divergent trends in relation to national forecasts. Of primary importance is the manufacturing segment which is expected to decline in relative importance nationally but increase significantly on the state-wide level. Transportation, communication and public utilities will claim a slightly greater proportion of total state employment, while a decline in relative growth is anticipated for the nation. Employment in agriculture will decline in both the nation and the state, but at a significantly greater rate in North Carolina. Tables 2 and 3 give a comparative distribution of state and national employment by industry, as well as annual growth rates for the survey period.

Many economic factors will also cause notable changes in the occupational structure of North Carolina's work force. An important factor is the varied growth rates among the State's industries, spawned by changes in consumption patterns and shifts in income distribution.

Other major factors which contribute to occupational shifts are: (a) population growth and significant shifts in age distribution, (b) the increasing trend toward a service-oriented economy, (c) rapid industrial diversification throughout the State, and (d) constant development of new products and processes through technological advances which will affect farm workers and lesser-skilled industrial workers most dramatically. Highlights of past and anticipated developments among the state's occupational categories are presented in Table 4.

Estimating job opportunities created by industrial expansion completes only half the task of projecting total

TABLE 1

Estimated Employment and Annual Average Growth Rates  
for North Carolina Industries 1960, 1968 and Projected 1975

Type of Industry	Total Employment (Annual Avg.)			Annual Average Growth Rate			
	1960	1968	1975	Percent		No. of Jobs/Year	
				1960-68	1968-75	1960-68	1968-75
Total, All Industries	1,705,350	2,064,000	2,316,160	2.4	1.6	44,830	36,025
Goods-Producing Ind. <sup>1</sup>	930,605	1,026,160	1,094,590	1.2	0.9	11,945	9,780
Percent of Total	54.6%	49.7%	47.3%				
Service-Producing Ind. <sup>2</sup>	774,745	1,037,840	1,221,570	3.6	2.3	32,885	26,245
Percent of Total	45.4%	50.3%	52.7%				

<sup>1</sup> Includes Agric., Forestry & Fisheries; Mining; Construction; and Manufacturing.

<sup>2</sup> Includes Trans., Comm. & Pub. Util.; Wsle. & Ret. Trade; Fin., Ins. & Real Estate; Services; and Government (Public Administration).



labor demand. It is essential, therefore, to also consider replacement demand generated by the voluntary withdrawal, retirement or death of workers in order to obtain total labor needs over a given time span.

During the 1969-1975 survey period, 144 existing workers will need to be replaced for every 100 new jobs created by industrial growth. Only four of the nine broad occupational groups reflect a greater need for expansion purposes than for replacement. Further analysis reveals that in each of these four groups male workers comprise the greater proportion of total employment. Generally, those occupations consisting of predominantly female employment will reflect a considerable greater need for replacement of workers than for expansion.

Table 5 illustrates the overall impact of expansion and replacement needs on North Carolina's work force. It further reveals that operatives, clerical workers, service workers, and craftsmen, respectively, will probably claim the greatest number of needed workers. Close scrutiny of detailed occupational data can provide impor-

tant insights into possible future shortages and training needs.

Admittedly, one area of our latest effort to project future employment needs remains somewhat deficient—that being the estimation of labor supply. Considerably more work needs to be done on both state and national levels to develop techniques for estimating labor supply by occupation. Because of our limitations of funds and inadequate staff resources, no effort was made to develop estimates of supply. However, a comparison of projected labor force data for 1970 and 1980<sup>1</sup> does indicate that a condition of economic equilibrium may be expected in 1975. Assuming a four percent rate of unemployment the projected employment of slightly over 2.3 million workers in 1975 for North Carolina coincides with national labor force projections of approximately 2.4 million. Equilibrium, as a long-run economic condition, tends, at least in principle, to be theoretically less demanding than a condition of labor shortage or surplus.

It is important to remember, however, that the resultant occupa-

tional employment projections are not intended, in themselves, to predict exactly the levels of occupational employment. Instead, these projections suggest that, given the presently developing economic trends and relationships, a particular number of persons will be employed and those who are employed will be distributed to various occupations in the estimated proportions. Similarly, on the labor supply side, assumptions must be made regarding the stability or regularity of such variables as population, migration, training, output, and the level of economic activity.

1. National BLS projections published in *Tomorrow's Manpower Needs*, Vol. I, p. 85.

## TABLES 4 and 5

### ON PAGE 8

TABLE 3

Total Industry Employment in the United States and North Carolina  
With Average Annual Growth Rates from 1960 to 1975

Industry	Employment (Thousands)				Annual Growth Rate	
	United States		North Carolina		1960-1975	
	1960	1975 <sup>1</sup>	1960	1975	U.S.	N.C.
Total, All Industries	66,681.0	88,660.0	1,705.4	2,316.2	1.9	2.0
Agric., Forestry & Fisheries	5,816.0	3,875.0	308.2	122.2	-2.7	-5.8
Mining	723.0	640.0	3.5	4.2	-.8	1.2
Construction	4,068.0	5,675.0	96.2	163.5	2.2	3.5
Manufacturing	17,307.0	20,625.0	522.7	804.7	1.2	2.8
Durable Goods	9,749.0	11,995.0	152.0	254.0	1.4	3.4
Lumber & Wood Products	688.0	615.0	38.0	32.2	-.8	-1.1
Furniture & Fixtures	395.0	535.0	45.6	84.4	2.0	4.0
Stone, Clay & Glass	614.0	675.0	10.9	18.3	.6	3.4
Fabricated Metals	1,362.0	1,830.0	9.8	15.0	2.0	2.8
Nonelectrical Machinery	1,499.0	2,110.0	12.4	34.6	2.3	6.3
Electrical Equip. & Supplies	1,465.0	2,035.0	25.7	41.6	2.2	3.2
Instruments & Rel. Prods.	403.0	540.0	0.9	6.2	2.0	10.0
Other Durables <sup>2</sup>	3,323.0	3,655.0	8.9	21.7	.6	5.6
Nondurable Goods	7,558.0	8,630.0	370.7	550.7	.9	2.6
Food & Kindred Prods.	1,813.0	1,710.0	34.5	48.0	-.4	2.2
Textile Mill Products	919.0	890.0	224.8	293.1	-.2	1.8
Apparel & Related Prods.	1,241.0	1,550.0	36.0	100.8	1.5	6.3
Paper & Allied Prods.	597.0	790.0	14.6	18.0	1.9	1.4
Printing & Publishing	1,114.0	1,365.0	10.1	17.3	1.4	3.5
Chemicals & Allied Prods.	833.0	1,140.0	13.2	31.6	2.1	5.5
Other Nondurable Goods <sup>3</sup>	1,041.0	1,185.0	37.3	41.9	.9	.8
Transp., Comm., & P. Utilities	4,538.0	5,390.0	76.6	120.7	1.2	3.0
Wholesale & Retail Trade	13,365.0	18,455.0	278.1	426.3	2.1	2.8
Finance, Insurance & R. Estate	2,852.0	3,980.0	45.5	83.3	2.2	3.9
Services	14,794.0	24,880.0	323.0	512.7	3.5	3.0
Public Administration <sup>4</sup>	3,218.0	5,140.0	51.6	78.7	3.2	2.8

<sup>1</sup> National Projections Prepared by the Bureau of Labor Statistics in *Tomorrow's Manpower Needs*, Volumes 1-4.

<sup>2</sup> Includes Primary Metals, Transportation Equipment and Miscellaneous Manufacturing.

<sup>3</sup> Includes Tobacco Manufacturing; Petroleum & Coal Products; Rubber and Plastic Products; and Leather and Leather Products.

<sup>4</sup> Includes Government Workers Engaged in Activities unique to Government; Those Engaged in Activities also carried on by Private Enterprises are Classified in Their Appropriate Industry.



TABLE 4

Total Occupational Employment in North Carolina for  
1960, 1968 and Projected 1975 with Average Annual Growth  
Rates from 1960-1968 and 1968-1975

Occupational Group	Employment			Annual Growth Rate (Pct.)	
	1960	1968	1975	1960-1968	1968-1975
Total, All Occupations	1,705,350	2,064,000	2,316,160	2.4	1.6
Professional, Technical & Kindred	140,860	187,655	231,985	3.6	3.0
Engineers, Technical	9,585	15,000	23,045	5.5	6.0
Medical & Other Health Workers	26,245	33,360	40,950	3.0	3.0
Teachers	51,095	65,380	67,295	3.1	0.4
Natural Scientists	2,050	3,105	4,820	5.1	6.2
Social Scientists	410	590	820	4.5	4.7
Technicians, Exc. Medical & Dental	8,090	11,360	16,710	4.2	5.5
Other Prof., Tech. & Kindred	43,385	58,860	78,345	3.8	4.1
Managers, Officials & Proprietors	120,420	141,985	173,725	2.1	2.9
Clerical & Kindred Workers	169,350	237,375	284,035	4.2	2.6
Stenos, Typists & Secretaries	40,655	62,190	74,900	5.2	2.7
Office Machine Operators	3,565	5,305	7,655	4.9	5.2
Other Clerical & Kindred	125,130	169,880	201,480	3.9	2.4
Sales Workers	113,655	133,925	164,030	2.1	2.9
Craftsmen, Foremen & Kindred Workers	209,820	275,660	335,210	3.4	2.8
Construction Craftsmen	68,850	87,370	97,700	3.0	1.6
Foremen, N. E. C.	31,035	41,235	54,560	3.5	4.0
Metalworking Craftsmen, Exc. Mechanics	13,325	17,890	20,700	3.7	2.1
Mechanics and Repairmen	57,100	80,275	102,135	4.2	3.4
Painting Trades Craftsmen	4,155	5,410	5,685	3.3	0.7
Transportation, Pub. Utility Craftsmen	6,460	8,680	10,675	3.7	2.9
Other Craftsmen & Kindred	28,895	34,800	43,755	2.3	3.3
Operatives & Kindred Workers	444,370	618,000	656,450	4.1	0.9
Drivers & Deliverymen	65,880	80,570	101,495	2.5	3.3
Transportation, Public Utility Operatives	2,420	2,675	3,020	1.3	1.7
Semi-Skilled Metalworkers	172,850	269,390	271,280	5.5	0.1
Semi-Skilled Textile Occupations	80,925	119,405	111,890	4.8	-0.9
Other Operatives & Kindred	122,295	145,960	168,765	2.2	2.1
Service Workers	195,800	239,615	275,550	2.5	2.0
Private Household Workers	79,100	85,655	93,300	1.0	1.2
Protective Service Workers	13,300	16,655	17,340	2.8	0.6
Food Service Workers	31,935	46,985	58,910	4.8	3.2
Other Service Workers	71,465	90,320	106,000	2.9	2.3
Laborers, Except Farm & Mine	90,225	95,320	93,430	0.7	-0.3
Farmers & Farm Workers	220,850	134,465	101,745	-6.1	-4.0

TABLE 5

Total Job Opportunities and Percent Distribution  
By Broad Occupational Group in North Carolina 1969-1975

Occupation	Expansion	Replacement	Total	
	Needs (Number)	Needs (Number)	Job Opportunities (Number)	(Percent)
Total, All Occupations	252,160	362,260	614,420	100.0
Prof., Tech. & Kindred	44,330	36,525	80,855	13.2
Mgrs., Officials, & Propr.	31,740	19,780	51,520	8.4
Clerical & Kindred	46,660	59,605	106,265	17.3
Sales Workers	30,105	25,670	55,775	9.1
Craftsmen, Foremen & Kindred	59,550	27,715	87,265	14.2
Operatives & Kindred	38,450	81,710	120,160	19.5
Service Workers	35,935	62,060	97,995	15.9
Laborers, Exc. Farm & Mine	-1,890	9,735	7,845	1.3
Farmers & Farm Workers	-32,720	39,460	6,740	1.1



# ANALYSTS SUPPLY LOCAL LABOR MARKET INFORMATION

By JOHN M. BENNETT

Labor Market Analyst, Asheville Employment Security Commission

The labor market analyst is primarily involved in the collection, compilation, analysis, and reporting of labor market information. Labor market analysts work in local offices and cover a geographical area of the State or work in the central ESC office with responsibilities for obtaining and evaluating data pertaining to the many facets of manpower utilization.

The field of work of the labor market analyst has expanded greatly since the outbreak of World War II. It has evolved from part-time assignments of rather rudimentary reports to a line of full-time complexities.

Only six local offices in the State are assigned labor market analysts. These are Asheville, Charlotte, Durham, Greensboro, High Point and Winston-Salem. Needs in the balance of the State are handled by personnel attached to the central office. Although labor market analysts assigned to the field are under the direct supervision of the local office manager, they are functionally supervised through the Bureau of Employment Security Research.

The Manpower Administration has a system of periodic—monthly, bi-monthly, semi-annual, and annual—area manpower reports. Some 150 major labor areas over the United States participate in this program, including four in North Carolina. These are the Asheville, Charlotte, Durham, and Greensboro-High Point-Winston-Salem labor areas. Best known of these reports is the Area Manpower Newsletter because of its wide distribution to employers, agencies, groups and the general public. The newsletter is prepared bi-monthly and usually consists of a one page summary and a statistical table comparing the current situation with past periods and indicating the probable outlook for employment and unemployment.

Another labor market information tool is the Labor Area Summary (LAS). This is a brief narrative report on area employment and unemployment trends and manpower problems together with one or more statistical tables. This report is also prepared bi-monthly, but on alternate months from the newsletter. This product is intended for internal use within the Manpower Administration-State Employment Security system. It is designed to summarize statistical and other area data needed for the operation of federal area assistance and

manpower programs and for the classification of areas according to relative labor supply.

New and expanded manpower, vocational education, and anti-poverty programs which have been initiated over the past few years have made even more urgent the need of a comprehensive system of local area labor market information. The Area Manpower Review (AMR) is an analytical and statistical report designed to summarize manpower developments and problems in the area. The report covers developments for the area as a whole, and to the extent available for specific sections within the area where manpower and unemployment problems are concentrated.

The AMR is intended for use both in Employment Security and Manpower Administration operations and for public distribution to manpower and community planners, educators, anti-poverty organizations, local and State officials, business, labor, and community leaders, and others who need accurate and timely job market information for decision-making purposes. Within the Employment Security system, data and analysis contained in the Area Manpower Review are needed to carry out local, state, regional and national responsibilities under existing human resources, manpower development, and manpower utilization programs to alleviate local unemployment.

The Annual Manpower Planning Report (AMPR) is another comprehensive product prepared by the labor market analyst. It is intended to provide at least the minimum information required for annual overall manpower planning, on a State and area basis, with respect to the disadvantaged and other groups in need of employment-related assistance. It is designed for use at the area and State levels in connection with the CAMPS planning system, the development of local office and State plans of service, and for planning under Model Cities, CEP, WIN, and similar programs. The report is designed to help identify and analyze the characteristics and problems of significant groups making up the total "universe of need for manpower services".

Although numerous sources of information are required for the series of area manpower reports, the basic document is the NC-30A. This is a monthly shuttle-type report from employers providing confidential

establishment trends on current employment and outlook which, in turn, are developed into industry trends. These monthly trends are benchmarked and revised annually, usually at the turn of the year when establishment trends are available on a much larger sample from unemployment insurance tax reports and other sources. Other important indices and tools used come from records of persons filing claims for unemployment insurance, work applications on file in the local office, census records, special studies, and handbooks on employment security research methods. All State Employment Security Agencies in the United States used standardized statistical methods in their analyses to assure comparable products.

Some reports are required from all offices in the State. Most of these are assigned to the labor market analyst in those offices having one. The quarterly RS-50 report is one of these. This Industrial Expansion Labor Potentials report is designed for use in estimating the number of recruitable experienced manufacturing workers, other experienced workers and the inexperienced but referable and trainable workers in each county served by the office. The RS-50 report serves the local office, the State office, and the Department of Natural and Economic Resources as a *uniform* reference source for current labor availability. This information is frequently requested by chambers of commerce, other agencies, branches of government, utilities, and others working with industrial prospects.

Local offices also report on new, proposed and expanding manufacturing operations in their area, another product handled by the labor market analyst. This report provides the State office and the Department of Natural and Economic Resources with factual information concerning these firms. The information is essential to effective planning operations.

The Bureau of Employment Security Research conducts wage rate surveys and fringe benefit studies to provide information often requested by existing North Carolina firms, new firms considering North Carolina plant locations and other requests for data of this nature. The LMA assists the Bureau in the collection of data for these studies in assigned counties.

Reports prepared by the labor market analyst take from a few hours

(See ANALYST, Page 38)



The Job Opportunities Labor Turnover Statistics Program (JOLTS) is a cooperative federal-state venture supported by the Manpower Administration and the Bureau of Labor Statistics under which the North Carolina Employment Security Commission collects data from a representative sample of employers. At the present time, approximately 1,100 sample employers in the mining and manufacturing industries voluntarily report confidential data monthly to the Bureau of Employment Security Research concerning job vacancies, accessions, and separations.

In the years prior to the establishment of the cooperative BLS-State program, labor turnover reports were collected directly from employers by the Bureau of Labor Statistics. As state agencies began to participate in the program, they took the responsibility for collection of data from sample establishments in their respective areas. In May, 1956, the Employment Security Commission of North Carolina assumed responsibility for carrying out the Cooperative Labor Turnover Statistics program in North Carolina. The data collected under this program fulfilled a need for such information by the State ESC and also provided BLS in Washington with turnover data needed for national summaries. This arrangement eliminated duplicate requests to employers for labor turnover statistics.

The North Carolina program started with 350 establishments participating. Early in 1957 the sample was expanded to include as many of the reporters in the BLS Current Employment Statistics (790) reporting sample as possible. Later, some further expansions were made to include manufacturing and mining firms not

# CALL IT JOLTS

## EMPLOYERS FURNISH INFO ON OPENINGS, QUITS AND HIRES

By LOUISE CARPENTER  
ES Research Analyst

included in the other two groups.

In January, 1969, the program was changed to include job openings data. With the addition of job openings data to the program, the new name "JOLTS" was adopted.

The primary objectives of the JOLTS program is the preparation of current monthly estimates of the number and rate of job openings and the rate of labor turnover.

Labor turnover rates measure the movement of workers into and out of pay status. This movement is expressed as the number per hundred employed during the pay period including the twelfth of the month. By the use of labor turnover statistics, not only can the net movement of workers into and out of jobs be measured, but also it may be determined whether the job market is tight, as in recessionary periods, or loose, as in periods of expansion when a labor shortage may exist.

The *accession rate* measures the rate at which workers are hired; the *new hire rate* measures the rate at which workers are hired exclusive of transfers and recalls. The *total separation rate* measures the rate at which employees are separated from pay status. This measure includes the *quit rate* which measures the rate at which workers voluntarily leave their jobs and *layoff rate* which measures the rate at which workers are separated from their jobs by the employer, primarily for the purpose of adjusting production. Also included in the separation rate are discharges, retirements, deaths, and transfers to other establishments of the same company.

The job openings rate is the number of job openings divided by the sum of total employment plus job openings.

The data also supplement the published statistics on employment since labor turnover data measure gross volume of changes in employment during the calendar month, whereas the statistics on the number of people employed measures the difference between employment at specific points in time (i.e., the payroll period including the twelfth of the current month and the same period the previous month, or year). Therefore, the information is essential to the proper analysis and interpretation of labor market development, including labor force and employment changes.

Labor turnover rates are useful as economic indicators to predict the behavior of the economic cycle. Though seasonal influences and other factors tend to obscure the relationship, the following is a theoretical example of what could be expected from labor turnover rates in a model economy during a recession and subsequent recovery and expansion:<sup>1</sup>

The first indication of an economic downturn is a decline in the accession rate, followed closely by a decline in the quit rate as workers realize that jobs are becoming more difficult to obtain. The next sign is a rise in the layoff rate to such a point that separations exceed accessions. As soon as the layoff rate begins to rise, the new hire begins to comprise a smaller and smaller proportion of the total accession rate.

At the very bottom of the recession, all labor turnover rates are very low, and quits and new hires are nearly nonexistent. Employers may be operating with a bare minimum of employees, and some firms may operate only on alternate weeks.

The first sign of an economic upturn is the lowering of the layoff rate, followed next by an increase in the accession rate as employers require more workers. The far greater part of accessions will be recalls of previously laid off workers. As the latter stage of the recovery is reached, the new hire rate will begin to edge over the 50 percent mark because the number of previously laid off workers proves inadequate to meet the demand. As the new hire rate rises above the 50 percent mark, the quit rate will also rise as workers realize that other jobs are available.

If the expansion continues beyond this point, the layoff rate remains very low, but the quit rate continues to rise slowly. The new hire rate approaches the total accession rate as the labor shortage becomes acute, and many people previously regarded as unqualified or who have not been able to meet arbitrary requirements are then hired.

The durable goods group is more susceptible to the business cycle than nondurable goods manufacturing. Also, while activity in durable goods



CARPENTER



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BUREAU OF EMPLOYMENT  
SECURITY RESEARCH  
P. O. BOX 586  
RALEIGH, NORTH CAROLINA 27602

Lu-Lu Fashions, Inc.  
Anytown  
North Carolina

ATTENTION: PERSONNEL DIRECTOR

Gentlemen:

For your information and use, we are showing below your firm's turnover rates for the first six months of 1971 as compared with similar rates for your industry in the State.

Average Monthly Rates For:	Average Turnover Rates For First Six Months of 1971							
	Separations					Accessions		
	Total	Quits	Dis- charges	Lay- offs	Other	Total	New Hires	Other
Your Firm -- Confidential	3.7	3.1	*	.4	.2	5.9	2.3	3.6
# Your Industry in N. C.	4.7	3.8	.6	.2	.1	5.3	4.4	.9

# Apparel (SIC 23)

\* None or less than .05

We are glad to be of assistance in making these figures available.

Sincerely,

*Donald A. Brande*  
Donald A. Brande  
BLS Cooperating Representative

PREPARED BY:  
EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA  
IN COOPERATION WITH

U. S. BUREAU OF LABOR STATISTICS

MANPOWER ADMINISTRATION

Here's an example of the letter used by analysts seeking employer information on job openings, accessions and separations. Information gathered in this manner is kept confidential but the findings in total are summarized. Over 1,100 employers in North Carolina are participating in this program with the Employment Security Commission.

manufacturing tends to lead the business cycle in a period of time, non-durables tend to have an activity level more nearly coincident with the business cycle.

Labor turnover rates are useful indicators of the dependability of the labor supply in the State. When employers study an area with the view of locating a new factory there, they are very interested in the labor turnover rates and how these rates compare with other parts of the country.

The average turnover rates for an industry are used by employers as yardsticks with which to compare their own firm's individual experience. Most employers strive for a minimum turnover, since training new workers can be expensive. If a firm's quit rate is unusually high, the employer may wish to study the situation and find out the

reasons. In general, employers use turnover data in planning for the orderly recruitment and maintenance of adequate personnel.

In 1963 each participating employer was sent a semi-annual comparison of his firm's individual labor turnover experience with that for his industry in the State. Each participant was asked to indicate if they would like to receive the comparison on a regular basis and to make any comments they would. Some of the comments were: "This is an excellent report and we would like to have all of our North Carolina plants represented . . ." "This information is of great interest to us . . ." "This is exactly what we need and will be helpful in controlling our turnover." and "This seems to be interesting information we could very well use." The response was so favorable that this

service has been continued ever since and has been responsible for the acquisition of many new employers in the program.

The Bureau of Employment Security Research role in the JOLTS program includes the following activities:

1. Maintaining sample adequacy. If the sample appears deficient, the list of essential reporters is checked against the listing tabulation. Any reports received subsequent to tabulating the data are added to the tabulated totals to remedy the deficiency.

2. Soliciting new employer reporters. Special efforts are made to expand the sample to meet the criteria in the "Instructions For Current Job Openings, Labor Turnover Statistics Program."

3. Mailing monthly report schedules to employers and following up on reports not received on time. This involves second request postals, duplicate schedules, letters and flyers.

4. Editing individual reports from employers to assure accuracy. Any unusual activity is coded on our office record cards so that we can inspect the tabulation later in regard to large lay-offs, closings, quits, etc.

5. Corrections. All corrections are posted on office cards and a form is sent to BLS—Washington, transmitting corrections.

6. Transmitting punch cards to Washington. After the data are posted on the office record cards they are sent to data processing to be key punched. The punch cards are sent to Washington twice a month (due dates are set by BLS Washington).

7. Estimating rates. Data are inflated to the universe and rates are computed on an industry basis for job openings and labor turnover. Monthly rates and annual averages are furnished to BLS.

8. Analyzing and publishing data. After the rates are computed the data are analyzed using information furnished by reporters. Two releases are prepared each month, "Job Openings in Greensboro-Winston-Salem-High Point SMSA," and "Labor Turnover in North Carolina Manufacturing Industries." These are mailed to each participating firm as well as to almost 1,000 other firms requesting the releases. Since individual establishment data are confidential and may be used only for statistical purposes, we must be careful *not* to publish in such a manner that data relating to an individual company can be identified.

9. Six-month rate comparison. Each participant is sent a table showing his firm's semi-annual turnover rates as compared with the rates for his industry in the State.

10. Records and Reports. Industrial classification comparisons are

(See JOLTS, Page 38)



## RESEARCH CENTER

# Develops Techniques To Measure Labor Market Information

By PRESTON JOHNSON  
Chief, Regional Job Market  
Research

There are only two Job Market Research Centers in the United States, one here in North Carolina and the other in Pennsylvania. The North Carolina center was established in 1966 as a part of the Bureau of Employment Security Research. A primary purpose of the Job Market Research Center is to originate and conduct research in the field of manpower information. The results of this research are then used to develop improved techniques for measuring employment and unemployment in states and areas.

One of the important responsibilities of State Employment Security agencies is the estimation of employment and unemployment data on a periodic basis for states and areas. Such information is of vital concern to federal, state and area administrators for policies and programs as economic conditions change over time, and in determining the eligibility of areas for assistance under various federal programs which condition eligibility on the relative severity and duration of unemployment within areas.

These estimates of employment and unemployment are prepared on a uniform and consistent basis in all states and labor market areas by applying methods and techniques prescribed by the Manpower Administration for developing such estimates. These methods and techniques stem from a variety of sources, among the most important of which are data derived from special surveys and investigations conducted in past periods on various segments of the labor force.

It is, of course, of extreme importance that such estimates be as accurate as possible so that manpower programs may be administered with emphasis on major problems, and so that federal economic assistance may be directed to those areas in which such assistance is most vitally needed. To insure such accuracy, it is necessary that the methods and techniques used



JOHNSON

be investigated on a continuing basis for applicability to current situations and that they be revised or new techniques developed when investigations reveal the need for change.

Recognizing the need for continuing research in this field, the Congress appropriated funds in 1966 to improve employment and unemployment estimating techniques. Rather than distribute the funds to many states, as had been done in previous years, the Manpower Administration established two Job Market Research Centers. The North Carolina Center was allocated six positions: a chief of the Job Market Research Center, a statistician, two labor market analysts, a stenographer, and one position allocated for data processing functions.

Although the Job Market Research Center is staffed by State agency personnel, its activities are in close communication with Manpower Administration officials who also assist in providing needed training, guidance, and work assignments. The center is accountable for finished research products (new research and techniques) of a substantive nature, adaptable for use in other states.

Specific techniques, methods, and areas to be investigated are agreed upon in periodic meetings in Washington, D.C. (about every six to eight weeks) between federal and Job Market Research Center personnel. It is then the responsibility of the research center to determine what data should be collected and/or extracted from existing resources which bear on the technique or method under investigation; to formulate and plan the statistical and/or methodological research necessary to acquire the needed data; to develop the necessary letters, questionnaires, forms, etc., for collecting data from employees, job applicants, claimants, local employment offices and other groups; to develop the sampling techniques and survey procedures necessary for implementing the research study; to instruct and provide leadership to local office personnel in data collection and recording procedures when local

employment offices are involved in the data collection process; and, in some cases, to assist in or assume complete responsibility for the collection of data.

Also involved are the processing and organization of the collected data into pertinent formats designed to emphasize the important results of the research study; the application of various statistical reliability measures which characterize the data; the writing of reports describing research findings and their implications on current estimating techniques; and the development of recommendations for changes, alterations or modifications in current techniques or methods when the survey findings indicate that such changes appear to be in order. A detailed methodology developed by the Job Market Research Center, describing how to conduct such a research study is an integral part of every study, which provides other State Employment Security agencies with a uniform technique to be used in the event other states wish to conduct similar research.

Reports and findings embodying such recommendations are presented to appropriate officials in the Manpower Administration for examination and content. Final publications are prepared which represent the consensus of Manpower Administration and Job Market Research Center personnel as to content, emphasis, and recommendations. Also involved is the testing of new or revised techniques for measuring labor force components which arise from such studies, in geographic areas other than those in which they were developed, to ascertain their applicability in areas with different degrees of unemployment and/or with different economic and industrial backgrounds.

A second major responsibility of the Job Market Research Center is to conduct operations research studies. Such studies, while embodying much the same techniques, procedures, and responsibilities set forth previously, are designed to measure the extent of the use and efficiency of various operating procedures and programs in use in the Employment Security system. Statistical and analytical results of such studies are made available to administrators at the national and state levels for evaluation and appropriate administrative action if survey results indicate that such action is necessary or desirable.

Some specific examples of the type of research applicable to the objectives of the North Carolina Job Market Research Center are as follows:

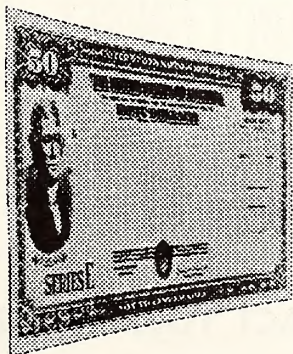
1. Studies of workers separated from employment covered by the Employment Security Law to determine the proportions who:  
(a) File claims for Unemploy-



- ment Insurance benefits immediately,
- (b) Delay filing for one or more weeks,
- (c) Exhaust their benefits,
- (d) Are disqualified for benefits due to earnings requirements or,
- (e) Are disqualified for benefits due to type of job separation (i.e., quit, discharged, etc.).

2. Household surveys in small areas measuring labor force components designed to build a body of data necessary for developing relationships between the components of employment and unemployment in rural areas.
3. Development of methods and techniques to estimate unemployment in sub-areas of Standard Metropolitan Statistical Areas, neighborhoods within large cities, and parts of counties.
4. Development of techniques for identifying the characteristics of workers residing in disadvantaged areas, and methods to estimate underemployment in these areas.
5. Other pilot programs or statistical techniques which relate to labor force research, employment or unemployment estimating, and employment service operations.

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# Bureau Researches Recrutable Labor In Each Tarheel County

By HORACE C. AUSLEY  
ES Research Analyst

In an effort to meet inquiries about available labor in North Carolina, the Bureau of Employment Security Research prepares a quarterly release of estimated recrutable labor by county. The publication is a summary of estimates of labor potentials prepared for each of North Carolina's 100 counties by the local Employment Security Commission offices throughout the State. The local offices serving the respective county or counties make their best estimate of persons who might reasonably be expected to accept jobs in manufacturing industries. The types of worker generally included in these estimates of recrutable labor are persons seeking work and the potential job seeker. The local office's estimate of the available labor supply includes: the unemployed, persons with less than full-time employment, individuals holding jobs which do not utilize their highest potentials, housewives who would join the work force if more suitable work or better job opportunities were made available, workers who are present are commuting out of the county to work but would take jobs in the county in which they live if the jobs were available, young people who expect to enter the work force after school is completed, and agricultural workers who would take industrial jobs if they were available.

It should be noted that only that part of these groups which the local employment office feels could be selected for referral to the employer through an active recruitment effort by the local office, plus that part deemed likely to respond directly to an employers own recruitment efforts, are reflected in the available labor estimates.

The labor supply data for each county are characterized according to sex, occupational experience, and industry attachment. The quarterly release, "Estimated Recrutable Labor for Industrial Development in North Carolina, By County," summarizes the data into the following three groups: experienced manufacturing workers; all other experienced workers; and the inexperienced but referable and trainable segment. The release also includes an estimate of high school graduates, by sex, entering the work force annually.

The completed release is circulated to interested chambers of commerce,

industrial development groups, libraries, local Employment Security Commission offices, other state agencies, and others upon request. The quarterly release may be very helpful in indicating to prospective employers or industrial groups the number of workers who would be expected to be referable to industrial jobs.

More detailed and comprehensive reports of labor supply estimates can be prepared from the individual county data, upon request. These reports, called "Estimate of Recrutable Workers for Industrial Expansion," depict the labor supply of a specifically defined area, usually a 25-mile radius from a central town or city rather than for a single county. Prior to the preparation of these special reports, the population percentages of townships within the defined area must be developed. Basically, this procedure entails determining that percentage of the counties' population that falls within the limits of the radii used in the report, 0-15 miles, 15-20 miles, and 20-25 miles. The process is accomplished by the use of North Carolina census maps of minor civil divisions and plastic overlays containing concentric circles, to scale, of the various radii to be used. The percentage of population within the selected radii for each county included are then applied to the respective county esti-



AUSLEY



mates of recruitable labor; thus, the estimate of recruitable workers can be derived for the stated radius for the county, countries, or parts thereof. Total population percentages of each county or part are applied to the respective county's total population to determine the population of the defined area. A complete report contains such information as definition of recruiting area, total area population, estimates and characteristics of the recruitable labor supply, and a map depicting the geographical area included.

These estimates of potential production-related workers may be used by industrial and development groups in their efforts to attract industry to the state and to assist in the expansion of existing industry. The estimates are adaptable for industrial use and enable a prospective employer interested in several possible plant locations to examine and compare the labor supply in the several different areas at once. Up to five copies of these estimates are available, upon request, from the Bureau of Employment Security Research.

When an employer becomes definitely interested in a particular area but needs more detailed information about the quantity and composition of the local labor supply, a community questionnaire-type labor survey may be necessary. A community questionnaire-type survey provides the industrial development committee or prospective employer with a more detailed picture of the labor supply in an area. These data can be used to determine the available supply of potential workers which a new firm can draw upon to staff a plant. The sex, age, educational attainment, and residence location, as well as the respondent's current work status and previous work experience, may be determined.

The Employment Security Commission is glad to assist community groups in planning and developing the labor survey and in presenting the findings. A representative of the Bureau of Employment Security Research can be made available to meet with committees in an advisory capacity to aid in the planning and organization of these surveys. The conducting of the survey itself, including its cost, must be assumed by responsible local groups, such as: the chamber of commerce, industrial development groups, county commissioners, etc. The printing, distribution, and collection of the forms are the responsibility of the sponsoring community groups. When the forms are completed and collected, the Bureau of Employment Security Research will code, tabulate, summarize, and publish the results in a report suitable for presentation to an industry or for use by other groups. Up to 50 copies of

the completed report will be furnished to the sponsoring group or groups at no charge.

Once the need for a labor survey has been determined, the Bureau of Employment Security Research is notified by the manager of the local Employment Security Commission office serving the area. An initial conference should be planned with the sponsoring group or groups, and it should include other potential participants, such as: newspaper representative(s); radio and TV personnel; school superintendent(s); the local Employment Security Commission office manager; and a representative of the Bureau of Employment Security Research attending in an advisory capacity. This meeting also may be attended by the prospective employer or his representative. At this meeting each phase of the survey will be discussed, including areas of responsibility; drafting of the survey form; organization, distribution, and collection of the completed forms; advertising; and the timing of various development stages.

The information collected by using the questionnaire-type survey should not be restricted or limited to certain occupational or industrial segments of the area's labor supply or to a specific industry. For example, if the local group or the industrial prospect who prompted the survey is interested primarily in experienced sewing machine operators, this is not sufficient reason to limit the scope of the survey to only include females. It should include all potential workers who might accept jobs in any type of industrial employment. Through proper survey design an extensive industrial profile can be derived. In this way the survey will meet the current need of a specific prospect and still have value and be available for future use. It should cost but little more in money and effort to survey all types of workers than it does to survey for a specific type of industrial prospect or some specific group.

### STAR-SPANGLED SAVINGS PLAN



# ***JOBS FOR VETERANS***

## **WHAT IS A VETERAN?**

A veteran is someone who has the will to live, to survive.

He's self-disciplined and mature. He's had to grow up fast.

He's acquired the skills, the technical knowledge, the education, and the experience the Government provides.

He knows he has a job to do and how to do it.

He's a leader.

A veteran knows and appreciates the value of life, of work, of success.

He's dedicated, motivated, and determined.

A veteran is the kind of person you want working for you.

For information on hiring veterans: See your local office of the State Employment Service. Contact the Veterans Administration for training information.

## **DON'T FORGET. HIRE THE VET!**

**THE NATIONAL COMMITTEE  
JOBS FOR VETERANS**

**CONTACT YOUR NEAREST  
STATE  
EMPLOYMENT  
OFFICE**



# N. C. PARTICIPATES IN NATIONWIDE OCCUPATIONS STUDY

By DAVE GARRISON, Asst. Director, BESR

In recent years there has been an ever growing need for current and projected data on employment by occupation. Although such information is essential to effective manpower and educational planning at local, state and national levels, the data which are now available are not considered adequate to meet the needs of most users.

It has been estimated that more than \$50 billion were spent by federal and private sources for vocational training during 1968 and 1969. Such outlays demand that vocational training programs must be planned on the basis of realistic manpower requirements.

Past efforts to collect occupational employment information in North Carolina have taken the form of periodic "skill surveys" conducted by the Bureau of Employment Security Research. Several such studies were made during the decade of the 1960's. In these surveys Tar Heel employers were called upon to furnish a considerable amount of detailed data on their current employment and projected requirements for a relatively limited number of key occupations. These employer-type surveys were expensive and time-consuming to conduct, and they could be made only when cooperative funding arrangements could be worked out jointly with the North Carolina Department of Community Colleges. Unfortunately there was no provision for a badly needed, permanent, and continuing program of occupational labor market information research.

Except for the Commission's periodic "skill surveys" and the infrequent occupational data from Census, there has been a dearth of authoritative, detailed occupational statistics. Now, however, because of a new program which will be known as the "Occupational Employment Statistics (OES) Program," North Carolina should soon be well on the way toward the development of a comprehensive, more effective occupational labor market information program.

## WHAT IS OES?

The Occupational Employment Statistics program is a federal-state cooperative undertaking currently involving 15 state Employment Security agencies as well as the U. S. Labor Department's Manpower Administration and the Bureau of Labor Statistics. North Carolina, along with three other states and the District of Columbia, will join the program in

1972, and, ultimately, it is likely that all states will participate.

The OES program involves the collection on a sampling basis of occupational employment statistics. These data will be used in developing more detailed and reliable estimates of occupational employment at the national, state and area levels. The program provides for coverage of manufacturing industries in the first year (1971) and nonmanufacturing industries in the second year (1972). The cycle will be repeated every two years.

## DATE WILL BE USEFUL TO EMPLOYERS

North Carolina employers who are asked to participate in OES hopefully will have an interest in the success of the program since the information collected can help assure that public training programs will provide the right training at the right time and, therefore, contribute to the movement of unemployed workers into productive employment. Other benefits to employers are: (1) provide access to current information as to the geographic location of workers according to specific occupational skills; (2) enable employers to compare the occupational composition of their operations with the profile of their respective industries at the national, state or local area level; (3) provide occupational projections of shortage occupations so that employers can take steps to alleviate these shortages through new or accelerated training programs both institutional and on the job.

The OES program also is expected to provide occupational information which can be used at the national level for the development and improvement of industry-occupational matrices. The Bureau of Labor Statistics has already done considerable work in developing such matrices for 1960, 1967, 1975 and 1980. These matrices are comprehensive tables dividing the total U. S. employment into about 160 specific occupations which are cross classified by 116 different industries. These matrices are actually staffing patterns for the various industries, and can be used in developing projections of future manpower requirements. Our Bureau of Research made use of the BLS national staffing patterns in compiling the data for its publication, "North Carolina Manpower Needs by Industry and Occupation to 1975." An article describing this 1971 study and the findings

appears elsewhere in this issue of the Quarterly.

## STATE MATRICES CAN BE DEVELOPED

Approximately 50,000 establishments will be included in the national OES sample of manufacturing industries, and between 80 to 100,000 establishments are to be covered in nonmanufacturing. While the national sample will be adequate for the development of state estimates in some industries, it is hoped that with good employer cooperation, North Carolina will be able to supplement the national sample to the extent that state and regional industry-occupational matrices can be prepared. If this does prove to be possible, the state will have the most detailed occupational data ever before available. If successful the OES data will be vastly superior to the too-infrequent Census data which is based on a 20 per cent household sample and which is lacking in occupational detail in such classes as "craftsmen" and "operatives."

The OES employer surveys will be conducted by mail to the extent possible and will utilize structured questionnaires, ie, questionnaires on which pre-selected occupations are listed. The questionnaires will also be open-ended to allow employers to add other important new and emerging occupations. Each questionnaire will contain many occupations that are common to different types of industries, but also listed will be those occupational titles which are commonly found in the respective industries being surveyed. Each questionnaire will be accompanied by occupational definitions which have been standardized as much as possible from industry to industry. Employers will be asked merely to provide the *current* employment for the listed occupations as well as total wage and salary employment of the establishment. No projections to future target dates will be asked for, as was done under the old skill survey programs.

Initially, the OES program in North Carolina will operate with a small staff within the Bureau of Employment Security Research. The OES unit will consist of one Research Analyst II, as supervisor, and four Labor Market Analysts, who will be responsible for collecting, editing and transmitting the occupational data to BLS in Washington. This unit will also develop and publish periodic reports which will relate to the employment outlook in (See OES, Page 36)



# *In Manufacturing Industries*

# FRINGE BENEFITS

By JOSEPH W. RICHARDSON  
ES Research Analyst

Among the many and varied publications released by the Bureau of Employment Security Research are two biennial wage surveys and a biennial study of fringe benefit practices in manufacturing industries. The wage surveys consist of "North Carolina Occupational Wage Rates in Production Jobs" and "North Carolina Weekly Earnings in Nonproduction Occupations." These studies are conducted simultaneously, while "North Carolina Fringe Benefit Practices in Manufacturing Industries" is conducted in alternate years. Data for the surveys are collected on questionnaire forms sent directly to sampled employers selected by random, for the most part, from a statewide listing of employers covered by the North Carolina Employment Security Law. Some non-covered establishments such as schools, hospitals, and local governments are, however, included in the sample for the survey of weekly earnings.

Each survey sample consists of the principal industry groups found throughout the State. Additional groups have been added over the years as new and varied products have been introduced and have contributed to the growth of industry in North Carolina. The selection of occupations for review in the production wage survey is based on the frequency of requests and often on the basis of their representativeness in each industry. Some jobs are also selected on the basis of their cross-industry prevalence to enable some comparison of wage rates for the same occupation in different industries. This is particularly noticeable in the survey of weekly earnings whereby all occupations sampled are found throughout all establishments both manufacturing and nonmanufacturing. The definitions of the job titles for the survey of production jobs are taken from the *Dictionary of Occupational Titles*, 1965, and those occupations reviewed in the survey of weekly earnings are a composite of descriptions from the DOT and definitions used by the U. S.

Department of Labor in conducting similar area surveys. Wage rates alone are not an adequate measure of labor costs; and since growth in fringe benefits substantially increase the cost of doing business, the Bureau of Employment Security Research developed a study of fringe benefit practices to be used as a complement to and in conjunction with the study of occupational wage rates for production jobs. Thus, with the economic and industrial growth in North Carolina, these data meet an increasing and continuing need of employers contemplating expansion or an initial location within the State.

The first study of wage rates for production occupations was released in March, 1957, and the eighth survey in the series was released the latter part of 1971. Until the release of the October, 1964 report (survey period November, 1963), wage data were obtained through North Carolina's Employment Security Commission offices. Most of the offices had the wage data on file for the selected occupations as a result of claims and ordertaking activities. As necessary, the data were verified and brought up-to-date during each survey period by contacts with two or more local employers in the industries studied. The wage data in the summaries were unadjusted and unweighted since, in the first few studies, the number of or frequency of workers by individual rates was not determined.

In the survey period November, 1963, the first random sample of firms to be surveyed for the study of production workers' wage rates was made. The Bureau of Employment Security Research made the selection and data were obtained from the sampled firms by the local Employment Security Commission officers by direct contact. Beginning with the study conducted in December, 1965, questionnaire forms were mailed directly to the sampled firms from the Bureau of Employment Security Research. Forms were returned to the local Employment Security



Commission offices and follow-up contacts were made from the local offices as necessary. The wage data were then returned to the Bureau of Employment Security Research for analysis, editing, and final publication of the results. This procedure has been quite successful since its initiation and has become the general means of collecting wage data up to and including the survey of occupational wage rates now underway. Approximately one thousand firms were contacted and asked to participate in the most recent survey. Although many establishments elected not to participate for numerous reasons, over 60 percent of those contacted did respond.

The format for "North Carolina Occupational Wage Rates in Production Jobs" has experienced some modifications since its beginning in 1957, primarily in the area presentation of the data. The difficulties in collecting reliable data and enough data to meet publication criteria develop because of the concentration of the same type of industry in one general area and the sparsity of industry in other locales. Consequently, the scope of areas studied was broadened to include the three main geographical regions of North Carolina—Mountain, Piedmont, and Coastal Plains.

The North Carolina survey of wage rates in production jobs is presented in three parts, the first part being a statewide and regional survey of wage rates by occupation. Included are the number of workers surveyed in each occupation, the wage rate range, and the average of the most prevalent wage rate paid. For comparative purposes the most prevalent wage rate average is shown for the Mountain, Piedmont, and Coastal Plains regions along with statewide findings. Part two includes statewide and regional summaries of occupational wage rates by industry,

and part three is a summary of wage rates by occupation for the three geographical regions of the State. The most prevalent wage data appearing in the studies have been adjusted to include the most prevalent rates reported for 90 percent of the workers employed in the surveyed occupations. This avoids some of the distortions in averages which may arise as a result of extremely high or low hourly wage rates. Averages are weighed by multiplying the most prevalent wage rate for each occupation by the number of workers at each rate and dividing the resulting total wages by the number of workers surveyed. In order not to reveal the rates of an individual employer, all published wage rates represent data gathered from three or more firms and from occupations in which at least three workers are employed. All data are for fully experienced workers including incentive payments resulting from piece work on a production bonus system. Excluded from the study are training rates and premium pay for overtime, holidays, and late shifts.

The survey of weekly earnings was begun in 1952. Until 1967 the survey was conducted at the request of and in conjunction with the North Carolina State Personnel Department. The studies fulfilled a two-fold purpose. The studies supplied the State Personnel Department with wage information for use in reviewing and studying State employees' salaries as compared with those of private industry, and as with all wage data, furnished existing or prospective employers in North Carolina a guide in studying the wage structure and patterns in the State. Two studies of weekly earnings, 1967 and 1969, have been conducted solely by the Bureau of Employment Security Research with another in progress. Sampled firms in the latest study totaled over 1,000 with more than a 56 percent response.

Occupations selected for review in "North Carolina Weekly Earnings in Nonproduction Occupations" are not restricted to or definable by any particular industry. Rather, the occupations are those relevant to both manufacturing and nonmanufacturing establishments. Categories of survey jobs include office, technical and administrative, custodial and material movement, and maintenance.

The survey of weekly earnings is composed of two parts. Part one consists of statewide summaries of weekly wage scales, average earnings, and average starting salaries in the selected occupations by broad industry groups and in selected manufacturing industries. Part two lists comparable data for the Mountain, Piedmont, and Coastal Plains regions of North Carolina. All earnings and averages represent the amount earned in a normal full-time workweek with-

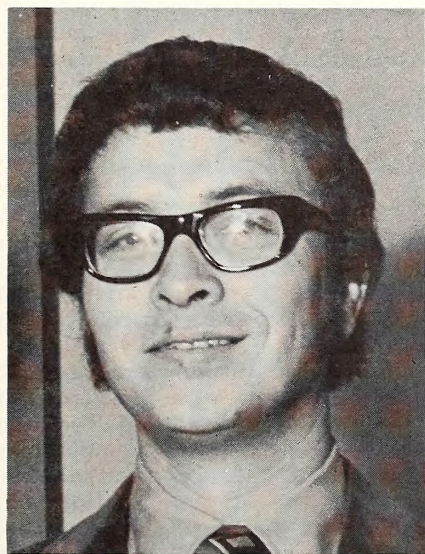
out regard to the number of hours worked. Data are in terms of straight-time earnings and do not reflect overtime, shift differentials, or bonus payments. Only occupations surveyed and found to exist in three or more employing establishments with three or more employees are included; thereby, individual salaries for one firm are in no way revealed.

The first study of fringe benefit practices in manufacturing industries was released in 1959, and the fifth study of the series was released in 1970. The study is useful as a complement to the wage survey of production jobs and is helpful in providing information influencing labor costs of the principal manufacturing industries in the State.

Differences of opinion often arise regarding just what constitutes fringe benefits. Some individuals consider legally required payments such as workmen's compensation, social security, and unemployment insurance as fringe benefits. Still, others may regard shift differentials and overtime premium pay as fringe benefits. The Bureau of Employment Security Research's "North Carolina Fringe Benefit Practices in Manufacturing Industries" defines certain benefits provided production employees by North Carolina firms and lists the major fringe benefits which are not required by law and reflects to what extent the sampled firms provide these benefits.

The fringe benefits studied are those considered to include the major benefits provided by most manufacturing establishments. Items such as time off with pay for jury duty, military training, or other payments occurring at infrequent intervals and constituting only a minor proportion of overall costs, are excluded from the study. Legally required benefits as well as those applicable only to the administrative, executive, professional, sales, and office personnel are not included. Findings resulting from a random sample of manufacturing establishments are presented to show the number of sampled firms which did or did not provide the benefits to the production worker. Benefits provided by each industry can be compared with the statewide results with further breakouts of the textile and apparel industries whereby the benefits provided by a selected segment of the respective industry may be compared with the entire industry.

With continuing growth and industrialization in North Carolina, wage data and fringe benefit practices will continue to assume their roles in providing prospective employers with an indication of some of the costs prevailing and necessary to the operations of a manufacturing establishment.



**RICHARDSON**



# EXPERIENCE RATING

Unique Feature of  
North Carolina Law  
Finances  
Unemployment  
Insurance, Provides  
Tax Savings to  
Tarheel Employers

By STANHOPE DUNN  
ES Research Analyst

In a consideration of any government program, two of the most important things the employer, or whoever is involved, wants to know are: "How much will it cost me? And what will I get out of it?" Let's stop for a moment, therefore, and analyze the Unemployment Insurance program in North Carolina with respect to its costs and benefits; and in studying cost, we will concern ourselves especially with the *Experience Rating* method of financing the program.

Since the beginning of the Unemployment Insurance program in 1938 through December 31, 1970, the Employment Security Commission has collected \$943.9<sup>1</sup> million in contributions (taxes) from insured employers, and its Unemployment Insurance fund has been credited with interest totaling \$168.5<sup>2</sup> million. The agency has paid out unemployment benefits totaling \$698.3 million, and on December 31, 1970, had a reserve fund balance of \$414,112,096 available for future benefits.

This reserve was equal to 9.56 percent of North Carolina's taxable wages reported to the agency for the 12 months period ended June 30, 1970, the highest reserve-to-taxable-wage ratio in the nation and compared with the average for all states of only 6.39 percent. Georgia, with a ratio of 9.19 percent, was the only other state having a ratio in the nine percent range. Following Georgia, only seven other states had a ratio of eight percent or better. Therefore, North Carolina is the leading state in the nation in this measure of reserve fund adequacy.

This is all to the good, but what about the average contribution rate and benefit cost rate over an extended period which made this high reserve ratio possible? What price did employers pay to accumulate such a healthy reserve? During the decade, 1961-70, North Carolina's insured employers paid an average of 1.35 percent of taxable wages in contributions as compared with a nationwide average of 1.82, which means that employers in an average state paid 35 percent higher contribution rates than North Carolina employers. As a matter of fact, employers in only 18 other states and the District of Columbia paid lower contribution

rates on taxable wages than did North Carolina employers during the 10-year period.

During this period, the State's average cost rate (benefit disbursements) was .98 percent of taxable wages as compared with an average of 1.68 percent for the nation. Only five states had a lower cost rate than North Carolina.

But what about now? During calendar year 1970, North Carolina's tax rate was 1.0 percent of taxable wages as compared with the national average of 1.3 percent. With respect to the benefit cost rate, the State compared even more favorably; specifically, 1.07 vs. 2.07. The State's projected 1971 tax rate remains at one percent despite the 1969-70 "mini-recession."

Listed below are several factors that we believe contributed to North Carolina's successful financial experience in the Unemployment Insurance program:

(1) Although some states have been more conservative than North Carolina in the administration of the program, the State's program could still be considered conservative with respect to maintaining a healthy relationship between income and outgo, which reflects good administration.

(2) In recent years, North Carolina has enjoyed a lower rate of insured unemployment than the national average. Other things being equal (e.g., benefit formula, duration, etc.), the lower the level of unemployment, the lower the benefit disbursements and need for replenishing the reserve fund.

(3) The operation of the State's *Experience Rating program*, which is designed to: (a) insure fund solvency; (b) maintain a stable and the lowest contribution rate level as possible, consistent with fund solvency; and (c) vary individual employer rates in direct relationship to their unemployment experience as reflected by their reserve balances.

Reduced to the simplest terms, the steps in the experience rating program follow: (1) the "fund ratio" is calculated by dividing the Unemployment Insurance fund (reserve fund) available for benefits at computation date (August 1st) by all taxable wages<sup>3</sup> for payroll year ending June 30 preceding the computation date. (2) The Law



provides for nine "Fund Ratio Schedules" (ranges of ratios), the lowest range being below 2.5 percent (Schedule A), and the most favorable range starting at 9.5 percent (Schedule I). Between these extremes are seven intermediate ranges applicable to schedules B through H. Each of these schedules provides a different set of contribution rates for assignment to individual employers depending upon the range in which their reserve ratios fall.

(3) It follows, therefore, that the final step in the Experience Rating process is to calculate the reserve ratio of every active employer's account which is used in determining his

assigned contribution rate within the applicable rate schedule. An employer's credit (positive) reserve ratio is the quotient obtained by dividing the credit balance<sup>4</sup> in his account as of July 31 of each year by his total taxable payroll for the 3-year period ending June 30 preceding the computation date. The debit (negative) ratio of each overdrawn deficit account is similarly calculated and used in determining from the rate schedule the employer's assigned rate for the following calendar year.

Rate notices are normally mailed to employers around November 15th of each year, giving them a financial accounting of their individual reserve



**DUNN**

**TABLE I  
FUND RATIO SCHEDULES**

Fund Ratio Range <sup>1</sup>	Applicable Schedule
--- to 2.4%	A
2.5% to 3.4%	B
3.5% to 4.4%	C
4.5% to 5.4%	D
5.5% to 6.4%	E
6.5% to 7.4%	F
7.5% to 8.4%	G
8.5% to 9.4%	H
9.5% and up	I

<sup>1</sup> Unemployment Insurance Fund on August 1st divided by taxable wages for Fiscal year ended June 30th.

**TABLE II  
SCHEDULE H RATES**

Reserve Ratio Range <sup>1</sup>	Contribution Rate
<i>Positive Accts.:</i>	
--- to 0.5%	2.7
0.6% to 0.7%	2.5
0.8% to 0.9%	2.3
1.0% to 1.1%	2.1
1.2% to 1.3%	1.9
1.4% to 1.5%	1.7
1.6% to 1.7%	1.5
1.8% to 1.9%	1.3
2.0% to 2.1%	1.1
2.2% to 2.3%	0.9
2.4% to 2.5%	0.7
2.6% to 2.7%	0.5
2.8% to 2.9%	0.4
3.0% to 3.1%	0.3
3.2% to 3.3%	0.2
3.4% or more	0.1
<i>Negative Accts.:</i>	
0.0% to 0.2%	2.9
0.3% to 0.5%	3.1
0.6% to 0.8%	3.3
0.9% to 1.1%	3.5
1.2% to 1.4%	3.7
1.5% to 1.7%	3.9
1.8% to 2.0%	4.1
2.1% to 2.3%	4.3
2.4% to 2.6%	4.5
2.7% or more	4.7

<sup>1</sup> Employer's reserve fund on August 1st divided by his taxable wages for three-year period ending June 30th.

accounts. Voluntary contributions may be made within 30 days after an employer is notified of his contribution rate for the forthcoming year. Therefore, whenever a particular employer's reserve ratio is very near the next more favorable range, it may be to his advantage to make a voluntary contribution in order to move his reserve ratio into that range and thus be assigned a lower contribution rate for the new year.

Pursuant to the 1971 amendments to the Law, Schedule H now becomes applicable when the fund ratio reaches 8.5 percent of taxable wages instead of the 9.5 percent limit as in prior years. With the Unemployment Insurance fund gaining at a rate only slightly more than taxable wages during the past year, by the August 1, 1971, computation date the fund ratio had reached only 9.4 percent which was still under the 9.5 beginning range of the most favorable Schedule I. This 9.4 ratio compares with a ratio of 9.3 on August 1, 1970. As a result, the applicable rate schedule in 1972 will be "H" for the first time as compared with "G" rates in 1970 and 1971.

In 1972 Schedule H contribution rates for positive reserve accounts range from 2.7 percent down to 0.1 percent of taxable wages. Employers with overdrawn accounts will continue to be subject to contribution rates ranging from 2.9 to 4.7 percent, depending upon the size of their debit ratios.

Do many employers qualify for reduced rates under the experience rating plan? Yes, most do. Data from the computation for rate year 1971 (latest available) reveal that 36,193 accounts or 89.3 percent of the 40,517 total active accounts were rated.<sup>5</sup> These rated accounts, however, comprised 97 percent of the taxable wages of all covered (active) employers. Of the taxable wages of these rated accounts, 97.6 percent applied to employers with positive reserve

(See **RATIO**, Page 36)



# VALIDATION INSURES ACCURACY IN REPORTS

By MARYIN VICK  
Evaluation and Training  
Specialist

The purpose of the reports validation program is to assure accuracy, uniformity, and comparability in the reporting of statistical data derived from the employment service and unemployment insurance operations. To do this, surveys are made to check the conceptual understanding of local office personnel who are involved in reporting, to identify weaknesses in reporting procedures, and to verify the integrity of basic documents. Such surveys involve on-the-spot observations to check reported activities against basic documents.

Outside verification of nonagricultural job placements is also a part of the validation study. Letters are mailed to a sample of approximately 100 individuals who were reported as placed in jobs by local offices of the Employment Security Commission. These applicants are asked if the local office had been helpful in their securing employment. If the applicant does not reply, or replies negatively, a letter is mailed to his employer.

## Need For Accurate Reporting

Reliable statistical data on the activities performed by the local offices are essential for planning, supervising, and evaluating these offices; for budgeting staff and equipment; for reporting to the public; and for economic analysis. Complete and accurate operating statistics are basic to any review of local office program operations to determine and correct weaknesses and to maintain a balance of program emphasis. If conclusions are to be reliable, then statistics on which they are based must be valid.

Validation had its modest beginning shortly after World War II when the Research and Analysis Division of the Pennsylvania Employment Security Commission conducted a survey of its local office reporting practices. It found that, left on their own, local offices had developed well over 600 different kinds of tally sheets and report forms for transcribing data to required statistical reports. All employees in the local office who did any work were in the reporting business. This idea of each interviewer reporting his own activity is built into the present reporting concept under the Employment Security Automated Reporting System. A uniform methodology for assembling and recording data was developed in order to assist local offices with their reporting program so that accuracy check

and data comparisons could be made. The validation studies were designed primarily to insure accurate and realistic reporting and to aid local office staffs with reporting problems.

In 1964 the validation program was instituted in North Carolina. In the beginning the North Carolina validation effort was a team approach that developed very rapidly as local offices were quick to adapt to uniform reporting techniques. Accuracy became a by-word in most offices. Procedural errors were reduced and most errors were caused by reporting data in the wrong reporting period. Managers' complaints concerning reporting subsided as validation of local office activity reports was accepted and recognized as a helpful program. We like to think that validation studies satisfy the need for proper measurement of the activities in the various local offices.

## Verification Of Placements

Outside verification of reported nonagricultural placements is an interesting phase of local office reports validation. Many contacted applicants take this opportunity to readily praise the local office staff, while others express derogatory opinions of individual staff members and recom-

mend areas of improvement—usually pertaining to unemployment insurance benefits. Employer responses also point-up areas of community acceptance of the Employment Security program in a particular city.

Some typical replies from applicants or employers are represented by the following quotations taken from respondents' letters.

(1) "The referred applicant was hired but before he went to work a thunder storm blew up and he took off and didn't come back."

(2) "I appreciate the sincere attitude of all those people in the local office as they try to help everybody find a job."

(3) "I was referred to two jobs and was hired at both but I didn't have a baby sitter. I still need a job."

(4) "They didn't pay me but \$3.00 an hour so I quit."

(5) "Why can't I get my check."

## Validation of ESARS Data

Validation is not intended to be a "cloak-and-dagger" investigation designed to root out minor deficiencies or to put anyone "on-the-spot"; rather, its purpose is to emphasize the importance of reporting; to help define any reporting problems; and to assist in correcting those reporting problems. The need for a strong validation program is magnified under the Employment Security Automated Reporting System concept of activity reporting as the prospect for making errors is multiplied by the great amount of information gathering that is required in carrying on a viable Employment Security program.

Once upon a time an Evaluation and Training Specialist awoke suddenly to find himself in a large pasture under a shade tree. There was a rope in his hand. He was confused because he didn't know whether he had found a rope or had lost a cow.

The validation of Employment Security Automated Reporting System data as reported by the various local offices is similar in one respect to the above illustration. It is confusing! The results of comparing data found in the Automatic Data Processing master file with entries found on basic source documents fail to adequately convince local office personnel that the computer is a dumb machine which does only what it is told by blips on Optical Mark Reader forms. Needless to say,

(See VALID, Page 38)



VICK



The Bureau of Employment Security Research is a Joint Service unit of the Employment Security Commission. The Bureau is divided into four units: (1) Labor Force and Wage Studies; (2) Activity Reporting and UI Employment and Wages; (3) Manpower Research and Training and (4) Job Market Research Center. The Bureau of Employment Security Research also has functional supervision over seven area Labor Market Analysts stationed in six local offices.

The mission of the Bureau of Employment Security Research is to report the activities of the Employment Security Commission; to collect, analyze, publish, and distribute labor market information; and to complete special studies for the Chairman of the Commission and other ESC administrators for use in program planning, program changes and program improvement.

In carrying out the reporting program a great amount of economic data are collected. The multitude of reports required by the national and regional offices of the Manpower Administration are prepared from data submitted by employers and our local offices. Data for required reports are used to answer requests from employers, colleges and universities, business organizations and others. The importance of using reports data to supply the answers to requests from these organizations was recognized soon after the Employment Security Commission became an agency and plans were made to release selected data in publications prepared by the Bureau of Employment Security Research. Many other requests for data from organizations and individuals require special research. This research may require a few minutes to many hours to obtain.

In the following paragraphs the publications and reports prepared and

## Researchers Issue Many Publications Which Supply Labor Force Information

By DONALD BRANDE  
Director  
Bureau of Employment  
Security Research

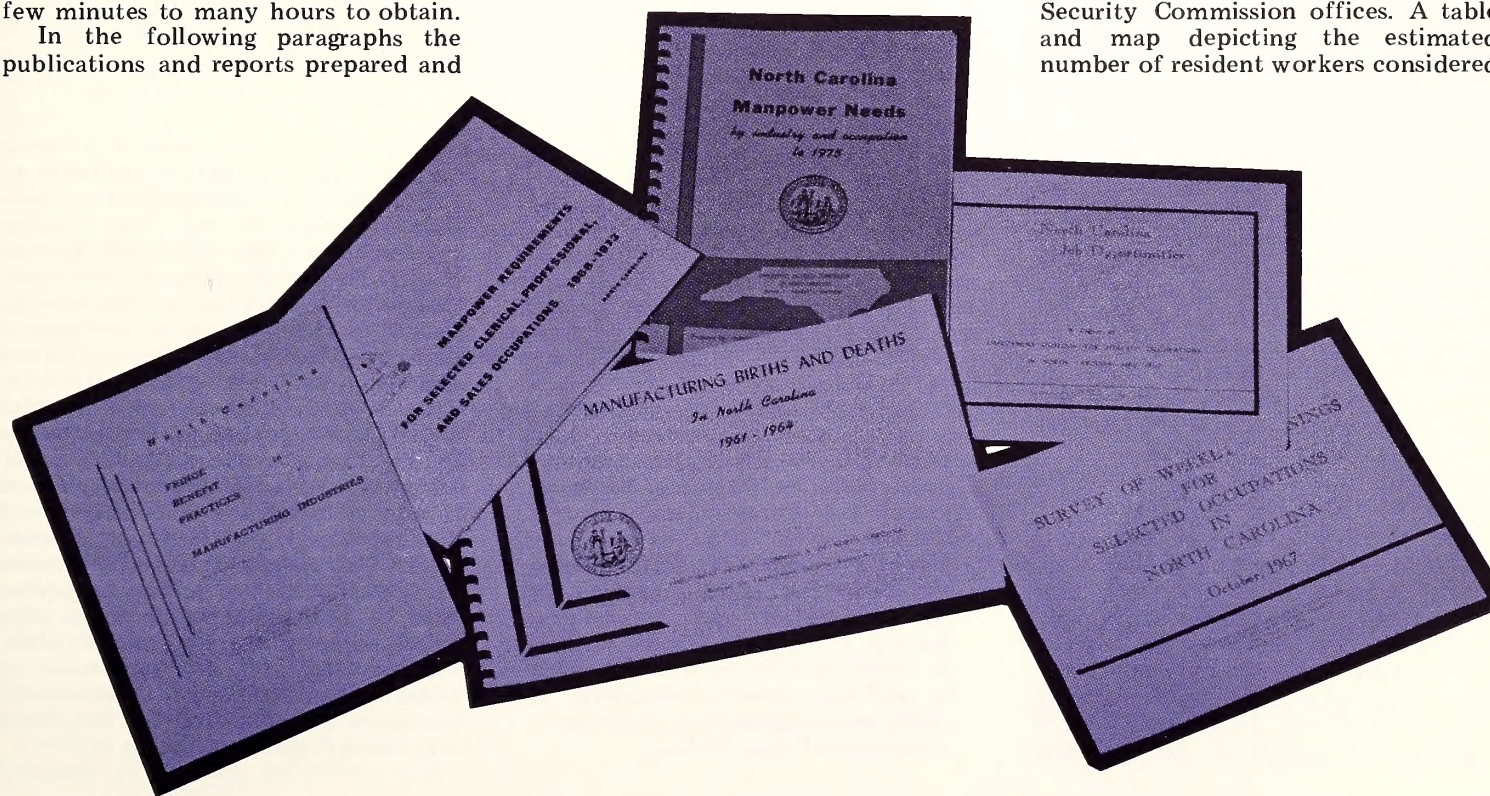
released by the Bureau of Employment Security Research to fulfill requests for data will be discussed briefly. Other articles in this issue of the ESC Quarterly will cover most of these releases in detail.

Each year an *Annual Report of Employment Security Local Office Operations* is prepared. This report details the major activities performed by local Employment Security offices and presents the information regularly collected for the required federal and state reporting programs in tabular, graph, and narrative form. These data are designed to serve as an aid in evaluating the year's accomplishments of the individual local offices and to provide a record of data for researchers and others concerned with claims and Employment Service activities carried out by local offices.

*Area Manpower Newsletters* are prepared for 16 areas in North Carolina. These newsletters are prepared bimonthly for 12 areas and every four months for the other four areas. Employment and unemployment estimates of the total work force are provided in these newsletters along with a narrative analysis.

A monthly release entitled *Employment Security Trends* summarizes local office activities in unemployment insurance and employment service programs along with state summaries.

The number and location of recruitable labor is an important data item for any new or expanding industry. To fill this need the Bureau of Employment Security Research publishes quarterly a publication entitled *Estimate of Recruitable Labor For Industrial Development in North Carolina*. The basic data for this report is provided by the local Employment Security Commission offices. A table and map depicting the estimated number of resident workers considered





available for work in new and expanding manufacturing industries in each North Carolina county is shown in this publication. In addition to this quarterly release, the Bureau of Employment Security Research prepares as requested estimates of recruitable workers for industrial expansion within a specified commuting radius for any given North Carolina locality. Included with this estimate is a map depicting the recruitment area covered by the estimate; population estimates; and number of high school graduates who have entered the labor force during the past year. Around 1,000 of these estimates are prepared each year by the Bureau of Employment Security Research.

An *Experience Rating Report* summarizing the financial operations of the Unemployment Insurance program administered by the Employment Security Commission is prepared annually. The current experience rating plan is highlighted and data on experience rating, distribution of accounts by contribution rates and the UI Fund condition is included in the report.

A *Fringe Benefits Study* of North Carolina manufacturing firms is conducted every two years by the Bureau of Employment Security Research and the results of these studies are published.

A monthly labor turnover publication is released by the Bureau of Employment Security Research and an annual summary is published in December. This report presents turnover rates for manufacturing and mining industries for the State and the Charlotte and Greensboro-Winston-Salem-High Point SMS Areas.

A job openings newsletter for the Greensboro-Winston-Salem-High Point area showing job vacancy rates for selected manufacturing industries is issued monthly by the Bureau of Employment Security Research.

An annual report summarizing the calendar year's employment and wage data of workers insured under the North Carolina Employment Security Law is published by the Bureau of Employment Security Research. These data are presented by major industry group, and by county with industry detail. A quarterly report summarizing wage data of workers insured under the Employment Security Law of North Carolina is also prepared. The data are presented for each county by broad industry groupings.

A monthly newsletter presenting statewide employment and unemployment estimates of the total work force is prepared by the Bureau of Employment Security Research. An analysis of changes from the one-and-twelve month-ago periods is also included in this publication. Total and insured unemployment rates for the State and

the seven Standard Metropolitan Statistical Areas are shown.

Wage rate studies for production and nonproduction jobs are conducted by the Bureau of Employment Security Research every two years. The wage rate information is intended primarily to provide both existing firms and potential new firms with current wage patterns in the State.

One of the most widely used publications prepared by the Bureau of Employment Security Research is the *North Carolina Work Force Estimates By County, Area, and State*. This study includes quarterly and annual average employment by major industry divisions and unemployment for the State, each county, and each multi-county labor area for the preceding calendar year. This series was started in 1962.

A *Weekly Report of Claimstaking Activities* is prepared and released by the Bureau of Employment Security Research. This report summarizes claims activity by selected industry with a brief explanation of changes in claimstaking activities.

In addition to the publications described in the preceding paragraphs,



**DONALD A. BRANDE**, Employment Security Research Director, joined the Employment Security Commission in 1954 as an interviewer in Shelby. He subsequently served as an office manager in Rutherfordton and moved to Raleigh as an occupational analyst in 1961. Brande, 44, was promoted to assistant director of BESR in 1968, and to director in 1969. He is a graduate of Elon College.

the Bureau of Employment Security Research staff answers hundreds of requests annually for unpublished data. Many of these requests come from our 58 local Employment Security Commission offices. Employers, other state agencies, banks, industrial development groups, researchers, college and universities and students also request both published and unpublished data from the Bureau of Employment Security Research and in most instances, these requests are met. The number of inquiries for information from the Bureau of Employment Security Research totaled 719 for the first quarter of 1971. It is estimated that over 3,000 inquiries for information will be received and answered by the Bureau of Employment Security Research staff during calendar 1971.

The Bureau of Employment Security Research has and will continue to work with other State agencies in developing manpower reports. During the past decade a number of manpower and training needs report has been completed and published by BESR. These studies were undertaken primarily to meet the need for such information by the North Carolina Department of Community Colleges. The two agencies jointly planned and financed the studies. Working relationships are maintained with many of the other State agencies concerned with manpower utilization and training. The Bureau of Employment Security Research cooperates with regional development groups by supplying labor market information needed in compiling economic development plans. Local industrial development groups and Chambers of Commerce are provided data on wages, recruitable labor, fringe benefits, etc., for use in working with prospective employers considering North Carolina sites for the location of their new plants or business.

The point of this article is to show that the reporting unit of the Employment Security Commission does more than summarize data for federal reports. The data generated by our required reporting program are compiled into reports and publications so that they may be used by our agency and others concerned with manpower utilization and training. Special studies such as wage studies, fringe benefits studies, occupational projections studies, work force estimates, labor turnover, and employment trends are developed using the information and data necessary for the reporting program. These reports and publications are distributed free to any organization or individual and perhaps in a small way compensate those employers covered by our Employment Security Law who submit those reports necessary and required for our State and federal reporting system.



# EMERGENCY EMPLOYMENT ACT

NEW PROGRAM ATTEMPTS TO OPEN UP PUBLIC SERVICE

JOB IN LOCAL GOVERNMENT, HOPING TO PROVIDE

WORK EXPERIENCE TO UNEMPLOYED AND UNDEREMPLOYED

North Carolina's share of the \$1 billion Emergency Employment Act (EEA) has given state and local governments a \$6.1 million windfall to finance an estimated 1,500 new public service jobs.

The idea behind the act is simple: Make immediate cuts in unemployment and improvements in public services by temporarily subsidizing useful jobs that revenue-starved state and local governments can fund from their own resources now. Provide the new public service employees with job experience which, in the long run, will help them move into jobs in the private sector when the economy improves or become regular public employees as state and local revenues increase.

But if the idea behind the act is simple, making good on that idea is not. In North Carolina—as in many other states—comprehensive plans to get the most out of the EEA windfall are proving difficult to come by.

All levels of government were caught napping when this public service employment program passed into law. Planning has been suffering ever since.

The trouble developed because few people expected the Emergency Employment Act of 1971 to get by a presidential veto despite its popularity in Congress. President Nixon vetoed similar legislation in 1970. So the U.S. Department of Labor made no advance preparations for implementing the program. It got little public notice among state or local agencies that might have expected to benefit from it.

But when the EEA cleared Congress on July 1, President Nixon took a new position. Faced with growing national unemployment, he not only removed the veto threat; he called for quick implementation—with hiring to begin by Labor Day.

At this point, the North Carolina Manpower Development Corporation began a survey to study how North Carolina could and would respond to passage of the act. Interviews with a

cross section of state department heads and representatives of city and county government turned up a wide range of suggestions on where and how subsidized jobs could be used profitably in North Carolina.

In summarizing the potential public service jobs turned up in the survey, an MDC research assistant reported:

"Most of the people interviewed thought in terms of adding personnel to already existing job areas . . . filling needs such as the shortage of teacher aides and guidance counselors in the school system. . . . A few departments had done some thinking about hiring workers to handle problems which are just becoming recognized—for example, in law enforcement planning, public health, housing and rural development. . . ."

The MDC survey also showed, however, that out of more than 30 highly placed administrators, fewer than half a dozen knew the specific terms of the new Emergency Employment Act. Of course, none knew how much money would actually be available in North Carolina, how that money would be distributed, or what guidelines would be applied—none of that had been worked out.

In fact, it wasn't until August 9 that "preliminary guidelines" became known. Then, at a conference in Washington for governors' representatives the first draft of the guidelines was announced. Other details worked out since July by a Labor Department task force began to come out.

Over the next few days North Carolina learned how its \$6.1 million would be allocated. The State, five

cities and 16 counties with populations in excess of 75,000 and the Cherokee Indian tribe were designated as "program agents" to receive direct grants from the Secretary of Labor. The State would be expected both to create public service jobs of its own and allocate money to the "balance of the state"—counties and cities with populations of less than 75,000.

With that the program was rolling. On Monday, August 16, a regional meeting was held by the Labor Department for city and county program agents. Applications were distributed to apply for the first 20 percent of the EEA money. Program agents had until Friday, August 20, to get those applications in the mail to Labor's regional manpower administrator! It was understood that checks would be mailed back to program agents as soon as their applications were in. And they were.

By August 24, the chief of the Labor Department's EEA task force

could report that, nationally, \$42 million had been distributed to 700 state and local governments to fund 11,000 jobs. Initial EEA hiring in some states beat the Labor Day target date by more than a week.

The MDC survey in North Carolina showed planning running far behind. Before the August 9 meeting in Washington, state agencies could only speculate on what EEA might mean to them. Cities like Raleigh and Winston-Salem—where mayors are served by special manpower assistants—could do some tentative planning. But later evidence indicated that few, if any, key officials in North Carolina cities and counties considered the act's possibilities as they wound up their 1971-72 budget making—an ideal time to identify spots where subsidized public service jobs could best be utilized.

Three North Carolina counties designated as program agents (Davidson, Randolph and Wake) missed the regional meeting and almost missed getting in applications for their funds. Wayne County made the meeting but later decided it would rather the State figured out how to use its money. Officials in Gaston County were quoted in the press as wondering why Gaston would get any money in an emergency employment program since its unemployment rate was below 2 per cent—one of the lowest in North Carolina.

Time straightened out some of the factual confusion. But the State's experience showed how difficult it was to plan for a program that began as a surprise and was pushed through its first phase as a race against the Labor Day target date.

After the Washington meeting for governors' representatives, the State activated its own task force to plan how to create State public service jobs

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North Carolina Program Agents	Total to be Spent in Each Area	To Program Agents for Local Jobs (Figures in Thousands)	To State Government
Charlotte	\$ 239.6*	\$ 239.6	\$ 0.0
Durham	125.8	88.0	37.8
Greensboro	125.8	69.4	56.5
Raleigh	83.9	25.5	58.4
Winston-Salem	520.6	399.8	120.9
Alamance County	149.3	149.3	0.0
Buncombe County	131.8	131.8	0.0
Catawba County	113.8	113.8	0.0
Cumberland County	282.7	282.7	0.0
Davidson County	222.5	222.5	0.0
Forsyth County	47.9	47.9	0.0
Gaston County	101.8	101.8	0.0
Guilford County	137.8	137.8	0.0
Mecklenburg County	83.9	83.9	0.0
New Hanover County	83.9	83.9	0.0
Onslow County	142.1	142.1	0.0
Randolph County	71.9	71.9	0.0
Robeson County	315.7	252.6	63.1
Rowan County	53.9	53.9	0.0
Wake County	83.9	83.9	0.0
Wayne County	111.7	74.5	37.2
Subtotal	\$3,230.3	\$2,856.5	\$ 373.8
Balance of N.C.	2,899.7	—	2,899.7
Total	\$6,130.0	\$2,856.5	\$3,273.5

\*Emergency Employment Act money is allocated to North Carolina in a two-way split. The sixteen counties and five cities listed above are "program agents" eligible for direct grants to create public service jobs under local government control. In four of these cities and two counties, the state is receiving some funds to create public service jobs in state agencies or departments. The state is also receiving \$2,899,700 to allocate public service jobs in "the balance of the state"—the remaining counties and cities that were not given direct grants.

and allocate funds to the "balance of the state." But the task force's first meeting (August 17) came right after applications were distributed among program agents to be mailed back by August 20. The task force could only designate priority job areas so the State could qualify for the first 20 per cent of its funds.

The task force was thus pushed into a position where it had to act first and plan later, if at all. And if this situation wasn't a big enough obstacle to genuine planning, the MDC survey pointed to others.

There was no existing machinery, and no time to perfect machinery, that could develop data to indicate which public service jobs would be most beneficial—either in terms of improving public service or of relieving unemployment. In fact, the survey found no machinery at all (except the task force, itself) to process the hundreds of applications from the hundreds of cities and counties in the "balance of the state" that weren't eligible for direct grants.

Under pressure to follow up the first application with a plan to utilize the remaining 80 per cent of the money due the State, the task force had no time to create complicated machinery even after its first application was filed. It could only minimize the problem of handling applications by naming Councils of Government or economic development agencies as "coordinating organizations" for each of North Carolina's 17 planning districts.

This approach utilizes local views on useful and necessary jobs. But it could only assume that job proposals would meet aims of the act—for example, that at least half of the subsidized public service jobs would become regular locally supported jobs within two years. As for the idea of preparing public service employees for jobs in the private sector, that simply had to be left to work itself out, one way or another.

One state, Utah, demonstrated how to minimize the kinds of problems that have plagued sister states like North Carolina. Utah's State Manpower Council (which is similar to the council created for North Carolina by the last General Assembly, but not yet activated) had developed the machinery and the manpower personnel for planning. It had a public service employment plan already worked out last July. It was in a position to do something more constructive than simply meet a deadline for funding jobs.

The Emergency Employment Act of 1971 still promises useful benefits to North Carolina. It can be a godsend to an estimated 1,500 men and women expected to be hired from among the ranks of the North Carolina's unemployed and underemployed. But the MDC survey indicates that the full potential of the Emergency Employment Act can't be realized until priorities are reversed so that jobs are planned before they are created.

## Administered By State, Local Government Units Create Jobs Under EEA

In North Carolina, the Emergency Employment Act is being administered by the Department of Administration.

Purpose of the Act is to give unemployed and underemployed transitional employment in public services during high unemployment, and training and manpower services to help such persons move into employment and training not funded by the Act. Special consideration shall be given Vietnam veterans.

Public service jobs shall be in such fields as environmental quality, health care, education, public safety, crime prevention, prison, rehabilitation, transportation, recreation, maintenance of streets and other public facilities, housing, beautification, and other fields of human and community improvement.

Wages paid persons in public service jobs shall be highest of federal, state or local minimum wage, or prevailing rate the employer pays for similar occupations. There's no upper limit on salary, but federal contributions cannot exceed \$12,000 a year for any one person. Participants must receive the same fringe benefits, working conditions and promotional opportunities as the employer's other employees.

The Act authorizes for its main program \$750 million for fiscal year 1972, \$1 billion for fiscal year 1973. Funds may be spent if the national jobless rate goes above 4.5 percent for three consecutive months.

Of the funds appropriated, 85 percent must go for wages and job benefits for hires. The remainder is for planning, evaluation, training, supportive services, and administration. Grantees put up 10 percent in cash or kind.

No program will be funded under the EEA that displaces employed workers; substitutes federal funds for other funds being used; substitutes public service jobs for other federally assisted jobs; permits acquisition, rental, leasing of supplies, equipment, materials, or real property; discriminates because of race, creed, sex, color, national origin, political affiliation, or beliefs; involves political activities; uses enrollees to build or operate facilities for religious purposes, or fails to increase the number of job opportunities over those now in existence.



At least 80 percent of appropriated funds shall go to state and local governments, with no state receiving less than \$1.5 million. The remaining 20 percent shall be available as the Secretary of Labor deems appropriate to carry out the purpose of the Act.

Hiring priority under the Act shall be given the unemployed over the underemployed. Program participants must be recruited and selected on a fair and equitable basis from among all significant segments of the unemployed and underemployed population. At least one-third of all participants should be veterans of the Asian theater who served in the armed forces in Indo-China or Korea on or after August 5, 1964, and who received other than a dishonorable discharge.

Also, special consideration in hiring should be given to the needs and relative numbers of unemployed and underemployed persons from each of the following additional segments of the population:

- a. Persons whose native tongue is not English and whose ability to speak English is limited;
- b. Persons from families with incomes below the poverty line;
- c. Welfare recipients;
- d. Persons who come from socioeconomic backgrounds generally associated with substantial unemployment and underemployment;
- e. Migrant farmworkers;
- f. Young persons 18 years or older who are entering the labor force;
- g. Persons who have become unemployed as a result of technological change;
- h. Persons 45 years or over.

All vacancies under the Emergency Employment Act program, except those to which former employees are being recalled, shall be listed with the State Employment Service at least 48 hours prior to filling the vacancy from another source.

# JAVA Decision Affects All States

By JOHN BRANHAM

Assistant Director, Unemployment Insurance Division

The Java Decision is a decision by the United States Supreme Court which vitally affects the unemployment insurance program in all the states. This decision came about by an action brought by Judith Java, a claimant residing in California, against the California Department of Human Resources Development which administers the unemployment insurance program in that state.

Judith Java was a claimant for unemployment insurance in California. She was determined eligible for unemployment insurance benefits and began to receive benefits. Suddenly these benefits were discontinued when her most recent employer protested her eligibility. These benefits were withheld under California law until a decision was issued on the employer's appeal.

In the Java decision the United States Supreme Court made two specific rulings that required the states to amend their laws to meet the requirements of section 303 (a) (1) of the Social Security Act to provide the following:

1. Provide reasonable notice to both the claimant and the employer of the time and place of the first level fact-finding hearing, giving each the full opportunity to appear and present testimony on the claim, and
2. Pay benefits promptly after a determination has been made in the claimant's favor, regardless of a pending appeal period or any appeal that has been taken from the determination. Benefits would continue to be paid unless or until the original decision is modified or reversed by a subsequent decision on appeal.

The Employment Security Commission of North Carolina was not affected by item 1. In fact, since the beginning of the program in 1938, North Carolina has had a system of a formal first-level determination. This system set a time and place of each hearing; and the claimant, last employer, as well as other interested parties, were mailed a Notice of Hearing. This afforded them the opportunity to appear in person and offer sworn testimony concerning the separation, job refusal, or eligibility issue in connection with the claim for unemployment insurance. This system is still in effect.

Thus, North Carolina had the only state Employment Security agency with a law and system of first-level determinations in compliance long before the Java decision was issued as to item 1.

Item 2 required an amendment to the law and changes in operations with respect to the immediate payment of benefits after a determination holding a claimant eligible.

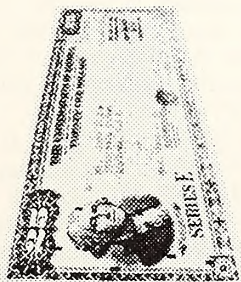
Prior to the Java decision, North Carolina, like most states including California, withheld the payment of benefits until a determination became final. If a determination was issued holding the claimant eligible, payments were withheld until after the 5-day appeal period expired and the determination became final. If the determination was appealed by the employer or other interested party, the withholding of payment continued until the appeals deputy issued a decision affirming the claims deputy.

The ruling in item 2 required a change. Now if a claims deputy issues a determination holding the claimant eligible, the payment of benefits begins immediately. Benefit payments continue until a decision on appeal modifies or reverses the eligible determination. If the claimant is held ineligible for any weeks that have been paid, the claimant will be considered overpaid. The claimant will be required to make restitution of the amount overpaid by refund or by offset by eligible claims for weeks of unemployment. The employer's experience rating account will be credited with the amount overpaid.

Item 2 was based on section 303 (a) (1) of the Social Security Act that places a condition on grants to the states for administration that the state law must provide ways of administration "as are found by the U.S. Secretary of Labor to be reasonably calculated to insure full payment of unemployment compensation when due." To the Supreme Court "when due" meant that a claimant was eligible for benefits after the state agency had determined the claimant eligible—no matter if the employer subsequently appealed the determination.

The North Carolina law has been amended where required, as well as the procedures revised. The Employment Security Commission of North Carolina is in full conformity with the Java decision and section 303 (a) (1) of the Social Security Act.

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# The Shifting PhD MARKET

By PHILLIS A. LEAMANN  
NATIONAL ACADEMY  
OF SCIENCES

In the past year, the unemployed scientist has rivaled the Middle American as a favorite subject for media analysis and cocktail party chatter. Indeed, the job market has tightened considerably for scientists, who throughout the sixties had been enthusiastically courted by employers. A spring 1971 survey of about half the Nation's scientists by the National Science Foundation (NSF) found their unemployment rate up to 2.6 percent from 1.5 percent a year earlier.

Yet, despite dire predictions of a Ph.D. surplus and mass unemployment among the most educated segment of American society, the situation has not reached disaster proportions. While unemployment is a most serious matter for the individual faced with it, on the whole, the 2.6 percent jobless rate for scientists was less than half the average rate of 5.9 percent for all workers during the first quarter of 1971 and even below the rates considered to represent "full employment" during periods of peak prosperity.

The current uneasiness, however, is producing a number of effects. One of the most important may be a new look at college education, particularly at the doctoral level. Some analysts are cautioning that unless the Nation's colleges and universities revise the entire framework of graduate education, a great deal of human resources will be wasted in future decades.

According to Dr. Wayne C. Hall, formerly director of fellowships for the National Research Council (NRC) of the National Academy of Sciences and now vice president for research and graduate studies at the State

University of New York at Binghamton, "the heretofore sacrosanct nature of the research-based Ph.D." will need to be questioned and Ph.D.'s will have to prepare for different roles in society. He notes that "to assume that all of the highly specialized research-based Ph.D.'s our first-rate graduate schools are capable of producing in the future can be placed in prestigious universities or that their research expectations can be met in the future is . . . highly untenable and illogical."

## JOB MARKET TIGHTENS

Many reports on unemployed scientists stress the plight of new Ph.D. graduates who cannot find jobs. But the unemployment rate for this group, while rising, is less than two-thirds that for all scientists. Although science Ph.D.'s who received their degrees in 1970 faced a tighter job market than did 1969 graduates, almost all found employment, according to a recent survey by the NRC. Dr. William Kelly, director of the NRC's Office of Scientific Personnel, which conducted the survey, termed the job situation "much less bad than some commentators have indicated, yet serious enough to cause worry because talent and resources are being wasted."

The survey of academic department chairmen representing some 13,000 1970 Ph.D.'s in engineering and the natural and social sciences showed that 1.2 percent of the new graduates were working in jobs unrelated to their doctoral training, and 1.6 percent were unemployed. In 1969, 0.9 percent were reported as unemployed and 0.7 percent underemployed.

All graduate fields surveyed reported increasing difficulties between 1968 and 1970 in placing new Ph.D.'s in suitable employment, but there was little difference among the fields. One exception was physics, which was hardest hit with 5 percent either unemployed or underemployed. The outlook appeared brightest in the social sciences (excluding psychology), where the unemployment rate was 1.4 percent.

The survey indicates that the job market also is tighter for postdoctorals—people seeking employment after a year or more of post-Ph.D. training. Of those who left their university departments in 1970, 2.2 percent were unemployed, compared with 5.5 percent in mid-winter 1971, when the survey was taken. Department chairmen also reported that the percentage of postdoctorals retained in their departments for lack of job opportunities elsewhere has roughly doubled each year since 1969.

The percentage of new graduates entering postdoctoral study or training increased from almost 10 percent in 1969 to more than 14 percent in 1970. While some of the new Ph.D.'s



undoubtedly sought haven in postdoctoral training because of the tighter job market, the sharp increase in the number going on to such study reflects more than the employment situation. Studies by the NRC's Office of Scientific Personnel have shown over the past decade a marked trend away from definite commitments to regular employment immediately after receipt of the doctorate and toward some type of postdoctoral position in which new Ph.D.'s pursue both teaching and research under mentors—a situation which provides further training but which keeps them temporarily off the professional transmission belt toward faculty tenure and status.

The percentage of graduates choosing postdoctoral study instead of employment differs widely among individual fields of study. About 1 of every 3 graduates in the natural sciences chooses postdoctoral study, while less than 2 of every 100 in the humanities, arts, and professions select further training. The trend is most pronounced in the biological sciences, where currently more than 38 percent of new Ph.D.'s go on to further study. This is usually a mutually advantageous arrangement for both senior researchers and new graduates, and its growing popularity should not be attributed solely to job market fluctuations.

Despite a job situation less discouraging than has been pictured, the NRC report cautions that "any deficit of jobs must nevertheless be a matter of national concern, and reliance solely on market adjustments to an oversupply would be both callous and unwise. The large national investment in graduate education and the valuable human resources at stake demand that any involuntary underemployment or unemployment of doctorate recipients be corrected."

Even though the vast majority of new Ph.D.'s and postdoctorals do find suitable employment, the effects of the tightened job market are felt in ways not reflected in numbers. For example, most graduates receive far fewer job offers than did their predecessors a few years ago, and they are much less free to choose among employers and select those who offer the choicest geographic locations or the most attractive fringe benefits. Nor, are they as likely to find jobs within the narrow field of research in which they specialized in graduate school.

There is also the complex problem of what constitutes suitable employment for a Ph.D. In the NRC survey, "appropriate work" included a faculty or research staff appointment in any university, college, or junior college, a research or research administration position in industry, government, or elsewhere, or any professional position which was the deliberate choice of the

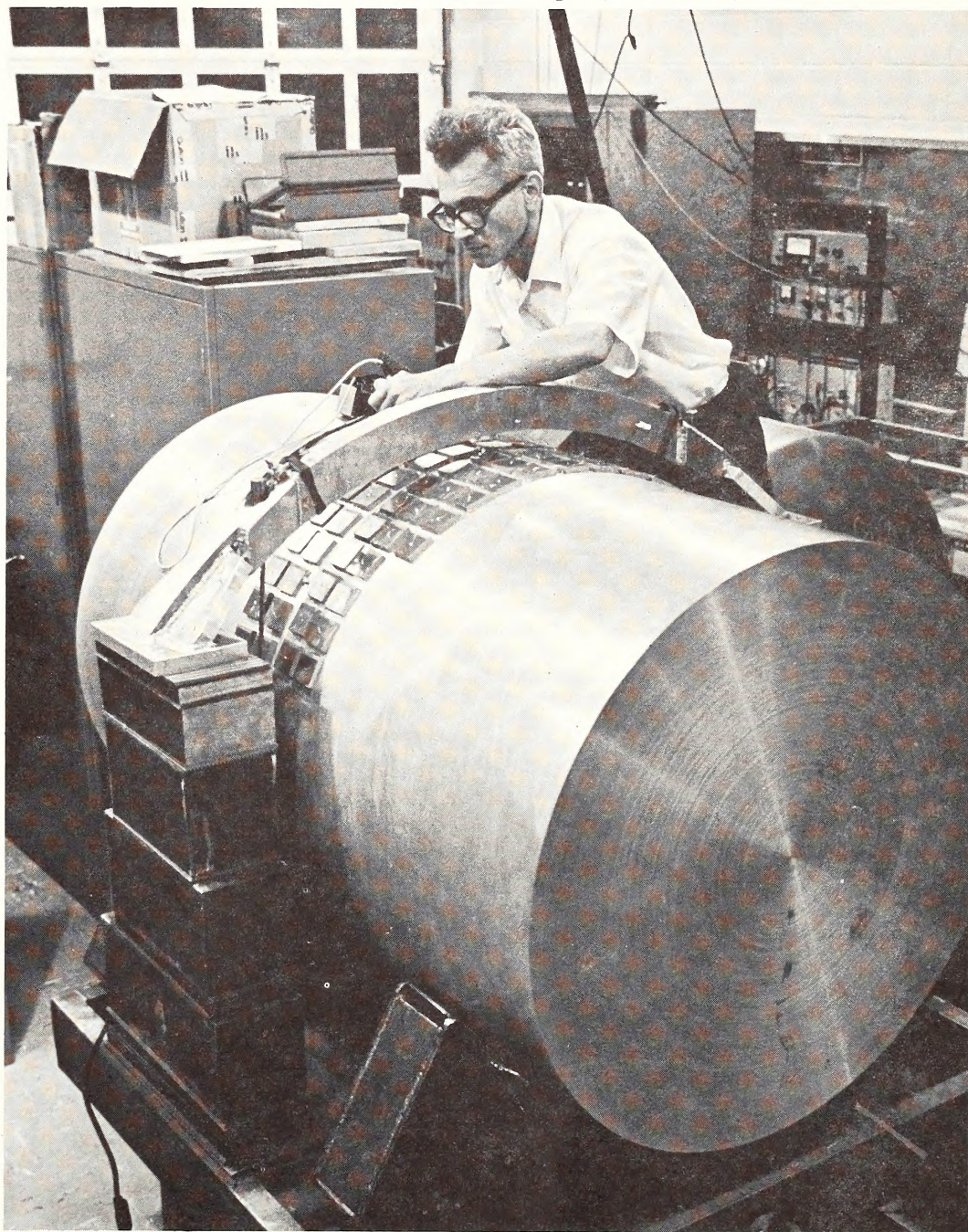
graduate. Yet, from the point of view of society at large, many other kinds of employment—high school teaching, for example—might be judged suitable for Ph.D.'s.

With regard to all scientists, the National Science Foundation survey in spring 1971 revealed that those with doctorates had the lowest jobless rate—1.4 percent. Scientists holding master's degrees were the hardest hit with an unemployment rate of 3.7 percent. The rate for bachelor's degree holders was 3.5 percent. More than half of the unemployed scientists covered by the survey were in chemistry and physics which had jobless rates of 3 percent and 3.9 percent, respectively.

Jobless rates greater than 3 percent were reported for sociology, political science, and computer science. Agricultural scientists had the best job outlook with an unemployment rate of 0.9 percent. Among employed scientists responding to the survey, 5.6 percent reported that they were working in nonscience jobs in 1971. Of those, roughly a third had accepted nonscience positions since March 1970.

## DOCTORATE PRODUCTION SOARS

Not surprisingly, more than 40 percent of the jobless scientists were located in the most populous States. However a wide variety of States—Washington, California, Connecticut,



**Dr. Joseph Weber, a research physicist at the University of Maryland, makes an adjustment on a special antenna developed to detect and measure gravitational waves. The future PhD job market is expected to reflect university-based research and more interest in applied science and interdisciplinary fields.**



Massachusetts, Rhode Island, Arizona, and Nevada—had an unemployment rate higher than 3 percent. During the first quarter of 1971, the Department of Labor designated 14 areas of the country as severely affected by unemployment of scientists, engineers, and technicians.

The NSF survey found that scientists under 30 had the highest jobless rate—3.5 percent—of all age groups. And the majority of unemployed scientists covered by the survey were under 40. However, there are indications that some new Ph.D.'s find jobs at the expense of older scientists and engineers. Older people who lose their jobs must compete more and more at a disadvantage with young graduates who are more mobile, are willing to accept lower salaries, and who need a smaller supporting staff than more experienced persons. Further, new Ph.D.'s have behind them academic advisors, professors, and professional societies committed to placing them in suitable jobs.

In contrast, reductions in personnel in academic departments or research laboratories throw large numbers of older scientists into the job market in the same geographic area at the same time. Often they have similar backgrounds and skills and are less able or willing to change locations. Also, in the case of massive reductions, high-level personnel who might in other circumstances help an individual find employment are looking for work themselves.

The current job slump is occurring at a time when rapid growth in graduate education is reaching a peak. The number of doctorate-granting institutions and the number of doctorates granted has increased tremendously since 1940. It is estimated that the total annual number of doctorates produced will exceed 60,000 by 1980. Full-time graduate students at both the master's and doctorate levels are expected to total 800,000 by 1975 and 1.4 million by 1980.

Despite gloomy reports from the job market, the Ph.D. pipeline is operating at peak production. A National Research Council survey of Ph.D. candidates themselves showed that in fiscal 1970 14 percent more research Ph.D.'s were granted than in 1969—an increase that represents the highest growth rate since the immediate post-World War II years.

Nor has the job market changed the expectations of new graduates. About 80 percent of the 1970 graduates surveyed indicated that they expected to enter regular employment, while 14 percent planned to pursue postdoctoral study or training. Although a slightly larger percentage was planning on postdoctoral study in 1970 than 4 years earlier, the percentage expecting to enter regular employment has remained almost exactly the same.

There are several reasons why the employment picture has not been reflected significantly in the academic world. Dr. Hall points out that an economic recession does not necessarily deter students from pursuing higher academic degrees. Some may feel there is no place for them in the job market and choose to remain in school. Those who are already far along in their doctoral program may decide to work harder and get out into the labor force before the employment situation worsens.

Furthermore, the educational process, especially on the doctoral level, does not respond quickly to changes in the economic picture. Dr. Lindsey Harmon, director of research for the NRC's Office of Scientific Personnel, says: "The Ph.D. pipeline is a long one and cannot be turned on or turned off in a short time. Several years ago when there was a great deal of interest in certain fields, such as physics, people started through the pipeline. At this point, they can't just stop, so most decide to go on and get their degrees and hope for the best."

Dr. Harmon also points out that students' choices and goals cannot always be linked too closely with supply and demand. For example, some students began to become disillusioned with the highly research-oriented scientific fields and turn to the social sciences in a search for relevancy at a time when graduates in the "hard" sciences were enjoying peak employment opportunities.

### FINANCIAL PINCH FEARED

However, there is a concern that the employment situation, which in the opinion of many authorities has been overplayed, may cause students to shun certain fields of study, thus creating future shortages of skilled personnel.

Graduate enrollment in the sciences and engineering declined 0.8 percent between 1969 and 1970, according to information provided the National Science Foundation by more than 200 doctorate-granting institutions. More significant because of its effect on future production of doctorates was the 3 percent decline in the number of first-year full-time graduate students. Also, institutions with high-rated graduate programs had relatively lower first-year enrollment in the sciences and engineering than other institutions. The 10 leading physics departments, for example, reported the greatest decrease—more than one-third fewer students in 1970 than in 1969.

Another serious effect is the reduction in financial support of graduate education and research, especially in those fields reportedly hardest hit by the employment slump. In congressional testimony in favor of retaining National Science Foundation training and fellowship programs, Dr. Philip

Handler, president of the National Academy of Sciences, noted that those in favor of such reductions argue that technological unemployment is already a problem and may worsen. He contended that "young people just entering graduate training will not become available to the 'labor market' for 5 to 7 years, and quite clearly we shall, for the indefinite future, require a continuing supply of young people entering scientific careers. To think otherwise is a vote of lack of confidence in the national future. We may perhaps be well advised to reduce the number somewhat . . . but surely to reduce the numbers to zero is an absurdity."

There are many who agree that changes will have to occur in American graduate education but that such changes must come in the form of a rational overhaul of the system. The answer does not lie in abolishing graduate degree programs or in discouraging students from pursuing advanced studies. Instead it will be necessary to redirect their talents and prepare them for broader roles in society.

Dr. Allan M. Cartter, chancellor of New York University, has been warning colleges and universities for at least 7 years that most academic fields would have an oversupply of Ph.D.'s by the beginning of the seventies. In an article in *SCIENCE*, published by the American Association for the Advancement of Science, Dr. Cartter said that America has created a graduate education and research establishment in American universities that on its present course "would result in about one-third too many Ph.D.'s produced in the latter part of the decade, and perhaps one-half too many in the 1980's, for the types of employment we have known in the past."

### SOUND COUNSELING STRESSED

He emphasized that this would not necessarily mean widespread unemployment for Ph.D.'s because they would tend to "bump" those with lesser credentials. However, an increasing proportion of Ph.D.'s could expect to hold jobs unrelated to their training and thus be classed as underemployed.

Dr. Hall doesn't believe students should be discouraged from working toward a Ph.D. but that they should receive sound counsel. "We shouldn't lead students down the traditional research pathway if they are not highly motivated for research," he says. "The current need is in applied sciences. For example, employment chances in pure mathematics probably won't be so good even 10 years from now, but there is a great need in applied mathematics."

He maintains further that "society doesn't need everyone trained to the



highest level. The Ph.D. has been over-emphasized to the point where it has become a union card for employment." Too often students are pushed by parental or societal pressures to attain higher degrees which they might neither want nor need. Dr. Hall believes that one of the greatest hopes for curtailing the Ph.D.-for-everyone trend may lie with young people themselves who are increasingly questioning the present educational system and its values.

The NRC's Dr. Kelly contends that the Nation will never have a surplus of Ph.D.'s because of changes that will occur both within higher education and in the professional job market. He points out that there will always be some problem of adjustment as change forces highly trained people to turn from one specialty to another. "However, such flexibility is characteristic of Ph.D.'s who include some of our brightest people. I can't believe the country will ever have an oversupply of such people."

In the future, not all doctoral students will automatically be able to choose teaching and research positions at the leading universities and industrial think tanks. Although the United States will always need able scientists to perform basic research in all scientific fields, the trend will be more and more away from pure research in narrow fields of specialization. Industry, for example, can be expected to foster more interest in applied science and in interdisciplinary fields. Smaller and medium-sized companies often have a greater need for the versatile scientist who can apply his knowledge to solving practical industrial problems rather than for the researcher who concentrates on answering basic scientific questions.

Similar changes will begin to take place in the Nation's graduate schools. Doctoral training for some students, Dr. Kelly believes, will emphasize a synthesis of knowledge in a particular field rather than narrow specialization. Teaching skills also will be stressed. Currently, many Ph.D.'s teach in the college classroom almost as a sideline to their interests in the laboratory. Many have had no preparation for teaching and lack a broad general knowledge in their fields. In the future, there probably will be a greater effort among graduate departments to turn out broadly trained physics teachers, for example, rather than specialists in elementary particle physics or other specific research areas. The new doctor of arts degree which is being widely considered in academic circles represents a move in this direction. Such a degree would imply that the recipient had received broader training than the Ph.D.

These changes do not mean that research will be ignored. The tradi-

(See OES, Page 36)



In a year, the top executive positions in the Employment Service Division changed. Pictured (center) is Director John Fleming. On the right is Assistant Director Edson Bates. Lee Roy Singleton is in charge of local office operations. All are long time experienced in employment service work.

## Honeycutt Retires, Changes Made In Top ES Division Leadership

When Alden Honeycutt retired after 40 years State service and a long period of time as Director of the Employment Service Division of the Employment Security Commission, a number of changes evolved within the top posts of the State Employment Service.

Replacing Honeycutt as Director was John Fleming, former assistant director. After attending UNC, Fleming joined the ESC in 1946 as an employment interviewer. He subsequently worked as a veterans employment representative, a local office manager in several offices, as an ES area supervisor and as field supervisor in charge of local office operations.

His promotion to ES Director was effective September 1, 1971.

Replacing Fleming as assistant director was Edson Bates. At the time of his promotion, Bates was coordinator of Employment Service activities. Coincidentally, Bates joined the Commission in the same year as Fleming—1946. During his 26 years with the State agency, he worked as an interviewer, a claims deputy, an occupational analyst and as supervisor of industrial service, a position he held for 14 years. On January 1, 1970, he was promoted to field supervisor of local office operations. Nine months later, he became coordinator of Employment Service activities and the date of his promotion to assistant

Employment Service director was September 1, 1971.

A former manager of the Raleigh Employment Security Commission office, Lee Roy Singleton, was promoted to coordinator of Employment Service operations, October 1.

Singleton, 40, came to work for the Commission in the Lumberton office.



After over 40 years service with the State, Alden Honeycutt (center) retired as Director of the State Employment Service. In the photo are ESC Chairman Henry E. Kendall (right) and new ES Director John Fleming.



For more than a decade, Arthur G. Garland of Charlotte has imparted his knowledge of unemployment insurance to North Carolina employers.

Among employers, he is perhaps the State's leading authority on the UI law. He has prepared a concise manual on unemployment insurance claims and lectures on the subject before employer groups.

Said Garland: "I guess I've given between 135 and 140 unemployment insurance claims seminars."

His most recent lecture was given before the eastern region of the Capitol Associated Industries meeting in Raleigh, a session attended by 40 employer representatives from eastern counties. One of five similar employer organizations in North Carolina, the Association annually conducts conferences and seminars on topics of interest to member companies and firms—federal and state legislation, personnel and management policies, wage and hour laws, industrial health and accidents, labor negotiations, and a host of other subjects explained by experts in these fields.

In the case of unemployment insurance, the expert is Arthur Garland.

Insurance manager of the Johnson Mills Company, he first became interested in unemployment insurance 14 years ago when he found a dearth of information on what is commonly called "unemployment compensation."

He concluded that employers misunderstood unemployment insurance claims, or at least had little accurate knowledge of the law, so he began researching the complex federal-state program.

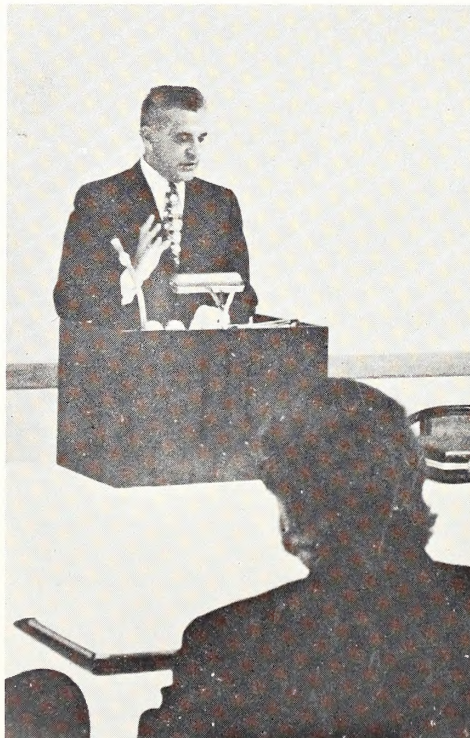
Inacted in the mid 1930's, the UI law places an excise tax on payrolls of certain employers to provide unemployment insurance protection to their workers in times of involuntary joblessness. In 35 years the original bill has been amended on several occasions. Currently it requires a tax of 3.2 percent on the first \$4,200 earned by each covered worker, and most employers of one or more employees for 20 calendar weeks are liable under this program.

When a worker becomes unemployed he may file a claim with the State for a weekly unemployment insurance benefit payment. If allowed, this claim is charged against the unemployment insurance account of the worker's base-period employer. If the claim involves a questionable issue, a hearing is conducted at the local office and the employer is notified. The employer may attend the hearing or send a representative.

When he first became insurance manager for the Charlotte based textile firm, Garland surmised that the greatest misunderstanding on the law

## Textile Executive Lectures Employers On Unemployment Insurance Law . . .

### Writes Manual, Conducts Seminars on Complicated North Carolina Statute



GARLAND

existed within its claims and appeals provisions. His initial lectures to employers, therefore, heavily emphasized the proper procedures involving claimants and the appellant rights of the employer. Today, his lectures continue to strongly emphasize claims procedures, but they have been broadened to include discussion on the history of unemployment insurance, definitions, instructions for worker separations, required records and reports and other topics.

Garland's manual, "Unemployment Insurance Claims Control Manual," is fully copyrighted and is reviewed and approved for accuracy by the Employment Security Commission. It is available from the N.C. Textile Manufacturer's Association, which states, "In the maze of taxes at each level of government, there is but one over which management can exercise even partial control and this is in the area of unemployment insurance. This manual has been designed to serve as a productive tool in that area. Its consistent use should be a management policy."

At the Raleigh meeting of the Capitol Associated Industries, Garland said, "I am not here to argue the philosophy of unemployment insurance. We want you to do the best you can with the law as it's written."

Believing that employers can cut their cost of unemployment insurance if they were more cognizant of UI claims and appeals, Garland asserts, "We do not wish to beat the worker out of his award and we're not opposed to payment of unemployment insurance. But let's conform to the law. We want the employer and employee treated fairly."

Referring to claims, notices, appeals and record keeping, Garland said, "Do it right, and do it on time," emphasizing that the Employment Security Commission must decide fairly in each case.

Although a textile executive, and even though his manual is made available through the Textile Manufacturer's Association, Garland's UI seminars are not confined to a single industry, and since the law has been subject to extensive amendments his lectures must be revised and current.

Attending the Raleigh meeting was Gary Fogus, Personnel Director of the Overton Division of K. R. Edwards Tobacco Company in Smithfield. The company's first personnel director, Fogus was notified by Capitol Associated Industries of Garland's lecture on unemployment insurance and he attended the meeting at the North Ridge Country Club.

Said Fogus: "I wish I could have attended when I first went to work. I've learned a lot."

And so have a lot of employers—from UI spokesman Arthur G. Garland.



# WHAT NOW COLLEGE GRAD



By DON TROTTER

When he prepared this article, Mr. Trotter was Superintendent, Employee Relations for the Fibers Division of Allied Chemical Corporation, Moncure, N.C., and serving a two-year term as President of the N.C. Placement Association, a group of 122 business, industrial, governmental and educational leaders throughout the State. Previously, Mr. Trotter was Assistant Director of Placement at N.C. State University.

"Four years and for what? Four years of doing without; working long hours; breaking my back! Why?"

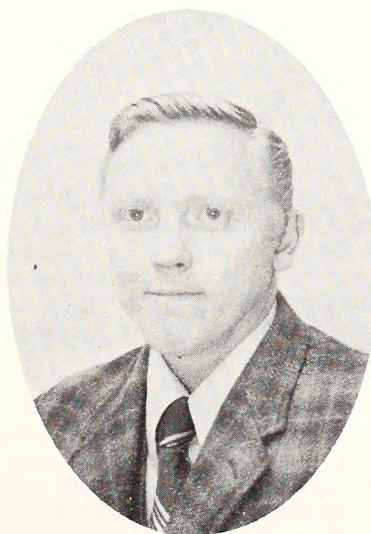
The young man seated in front of me, looking very depressed, had just received another in a long series of "no interest" letters, the fruits of his intense search for employment.

Sound familiar? This scene did not occur today but two years ago in 1969 while I was serving as Assistant Director of Placement at North Carolina State University. That year was the last in a long series of boom years in the recruiting field. Salaries were rising at an ever-increasing rate; manpower was in great demand; and, to the average college senior, things couldn't be better. But to the professionals in the field, the end of the boom cycle was in sight. Today's tight market confirms the predictions of 1969. The facts are that college graduates do have a difficult time finding jobs in 1971. College recruiting by business, industry and governmental concerns has declined to a level significantly below that of the late sixties.

This situation, however, is not new. The job market has always been subject to swings in demand. It only appears dramatic in that we have had such an extended period of prosperity in our economy; and, thus, we have forgotten prior recessionary periods.

Nowhere in our society does the rule of supply and demand prove so meaningful as in the job market. This concept, along with the widely held

belief that a college degree is a written guarantee of success, is the bitter fact that proves so disappointing to many of today's college seniors. A recent comment by a young man who was concerned that he would receive a job offer from a company for a job which was, as he put it, his third choice, indicates the lack of awareness that sometimes exists in the minds of the recent graduate. Common sense alone should tell him that he could only have a "third choice" in the event he had three offers—which I might add he did not.



TROTTER

Today the demand for college-trained personnel is definitely lower than in 1970 or in 1969. The demand today more closely parallels that of the mid-sixties. However, as recent statistics indicate, college degrees are being bestowed in ever-increasing numbers. In addition, the drain upon available manpower for the war effort has ceased. The increasing numbers of discharged veterans, a large number of which have degrees, has further heightened the competition for jobs. Finally, on top of this, the reduction in new industrial expansion, the layoffs in the aerospace industries, and the general decline in research and development results in an imbalance in the supply as versus the demand.

Briefly, then, we find in 1971 that the following statements are true:

1. The economy as a whole has stabilized with regard to job openings for college graduates. In some specialized areas, i.e., research and development, it definitely has declined.

2. More graduates are available, both in newly degreed personnel and as a result of returning servicemen.

3. Competition for existing jobs has decreased. It is a buyer's market where the employer can pick from many qualified applicants versus the seller's market in the late sixties.

4. As a result of the manpower shortage of the late sixties, many companies turned from the requirements of a four-year degree to those of the Community College graduate. This forced rejection of creeping professionalism proved so successful many businesses are actively seeking lesser trained personnel whereas they previously required the sheepskin. I might also comment this change stimulated employment opportunities for women, thus enlarging the supply of talent.

5. Campus recruiting visits have dropped to pre-boom levels. Employers are evaluating their crash recruiting programs of the sixties and are, in most cases, reducing their efforts.

6. Starting salaries, reflecting the supply and demand conditions, are not rising at rates of prior years and many are being stabilized. For example, the chemical industry does not plan to increase starting salaries for 1972 engineering graduates beyond the 1971 levels.

Viewing the overall picture, one has a tendency to become overly pessimistic. This type of action will lead to excesses in the other direction and, if we are not careful, in five years the nation will be crying for more engineers, scientists, businessmen, etc. We must recognize that short run swings in the market are just that—short run.

Recently an advertisement was placed in the Raleigh Times by Merrill,



Lynch, Pierce, Fenner and Smith. This advertisement outlined several key economic factors which supported the brokerage company's bullish attitude toward the economy. These factors were:

1. By the end of this year, America's economy should top \$1.1 trillion, highest in our nation's history.

2. In 1972, U.S. Corporations expect to spend \$89 billion for plants and equipment, up 9% from this year's indicated total. On top of that, \$21 billion will go into research and development.

3. Industrial production should climb at a rate of five to six percent per year during the 1972-74 period.

Could it be that the cycle is swinging again? Perhaps so, but let us let history be the judge. In this area, the tendency is to base projections upon past experience. In short, we let ourselves be led by past events and, thus, we react rather than act.

What I mean is that in today's rapidly changing society we must place more emphasis upon future forecasting of our manpower requirements and our ability to utilize effectively our manpower resources rather than charging ahead, either expanding or contracting. We should concentrate our efforts toward leveling the wide swings in supply and demand to which history has shown we are subject.

If it appears that today the student is confused, consider the poor counselor. Most professionals in the field are hard pressed to remain only slightly outdated. One must be a constant student of the labor market not only from the view of the shifts and changes in demand but also because of the hundreds of new jobs in new and developing industries being created daily. Furthermore, not only is the market changing but new programs are constantly being developed on the campuses to provide the knowledge required to compete in our complex society.

The answer to our problem is obvious. Our only hope is to involve all facets of our business, industrial, governmental and educational communities throughout North Carolina in a concentrated effort to realistically forecast the market conditions which will exist in the coming years. Such a vast undertaking will not be easy but it can be done. Only by having a realistic plan of action can we expect our State to continue to grow and continue to provide challenging opportunities for career satisfaction to our skilled personnel. The only answer is a balanced approach wherein we efficiently utilize our tax dollars to provide higher education to our citizens and, in turn, utilize more fully their increased talents.

We must provide realistic guidance to today's high school senior in order that he or she may be able to enter the

employment market in 1976 with the skills and knowledge required to successfully compete. However, we must all realize that a college degree does not mean automatic success. It does not even mean that the college graduate will earn \$250 thousand dollars more during his lifetime than his high school buddies. In fact, many electricians, millwrights, machinists and plumbers earn annually more than their supervisors (who are college graduates) and many college professors.

A college education brings high expectations for future success but such success depends entirely upon how well such education is utilized in the building of one's career. Five years from now, the 1972 graduate will be evaluated on what he has accomplished during the five years since he left the University, not upon what had gone before. Future career decisions and job change opportunities will bring today's graduate back to the same problems which confront him

today. How well he solves today's problems may determine his ability to decide tomorrow.

Therefore, as we survey the job market in 1971, who do we find having success? The answer is obvious. It is that young man or young woman who applies the same diligence in their job search as they did in their quest for a degree, knowing what they can do, what they want to do, where the demand is, what the competition is offering, and what the employer wants and what price he is willing to pay. In the knowledge required to answer these points lies the key to success.

The problems confronting the seniors of today are the same problems which faced graduates of 1960 or 1956 or 1952 and are, in essence, the problems which will confront today's seniors throughout their lives as they change and develop their careers.

"Find a need and fill it" is an old adage. The student of the job market who heeds its message has taken the giant step toward success.

## Commission Uses Closed Circuit TV System To Train Employees

Closed circuit television, refined into compact systems of a thousand uses, has become a sophisticated training device for the nation's Employment Security agencies.

In North Carolina, the Employment Security Commission now uses video tapes to train its personnel in up to date techniques of data processing, computer programming, interviewing and testing.

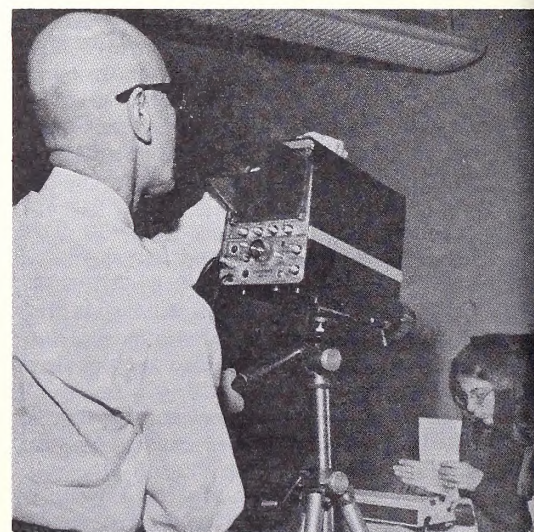
The video system is used almost constantly—and has been since it was unpacked in mid 1971.

Initiated by the Department of Labor's Manpower Administration, closed circuit television is intended strictly as a training device using tapes prepared by various organizations under contract to the federal government. The Heuristic Systems of Phoenix, Arizona, is preparing video training tapes for the Comprehensive Training Unit on Interviewing for all state Employment Security agencies, and the Manpower Administration in Washington has set up a video taping system to produce tapes for distribution to states.

Viewed through a 19-inch, black and white monitor, video tapes are being used by the N.C. Employment Service's industrial services unit to train local office personnel in the administration, scoring and interpretation of the NATB, or the non-reading aptitude test battery. Three video and

assorted textbooks make up the training package, furnished by the Department of Labor, which occupational analyst Jim Hiatt uses in his week-long training sessions at local offices.

Older worker specialist Ralph Faulkner of the Employment Service has received three tapes from the Minneapolis Rehabilitation Center entitled "Interviewing Skills, Job Seeking Skills," and "Employability



WIN Manager Milton Brinson tries his hand at video taping. He uses tapes to instruct enrollees on proper job application techniques.



Planning" to be used in training interviewers to work with older job applicants.

But perhaps the biggest training project so far has been accomplished by computer systems manager Joe Elliott in the ESC central office. Elliott has 16, one-half hour tapes he's using to instruct his computer programmers in the American Standard Common Business Oriented Language (ANS COBOL).

On loan from the Department of Labor, these tapes, representing an investment of about \$2,000, are supplemented by textbooks, and Joe says he can train his programmers four at a time during one-half hour training sessions in the central office. Otherwise, his eight programmers would have to attend two week's training at Topeka, Kansas, to get the same amount of instruction.

The ESC Unemployment Insurance Division is now receiving tapes as part of a training project for its tax auditors.

Milton Brinson, in charge of the Work Incentive Program (WIN) in Raleigh, is using the closed circuit system to prepare his own tapes and he reports the device "really has his people excited." He uses closed circuit TV as part of his orientation training, and stages scenes to illustrate proper techniques in applying for a job. Enrollees perform in mock interviews, playing the parts of job applicants, as Brinson operates the camera and its zoom lens. After the taping session, enrollees watch as the tapes are played back through the monitor, and individuals, delighted at the unique sensation of watching and listening to themselves on television, can see what they're doing right or wrong.

Brinson's use of the camera illustrates the second and perhaps the

most intriguing feature of the ESC closed circuit TV system—local tape production. Not only does the system provide the agency with capability to televise tapes supplied from other sources, but also includes the facilities and devices necessary to produce its own training tapes.

How does it operate?

Actually, the video system is uncomplicated and a short instruction period is usually enough to show people how to connect the components. The three basic elements are the video tape recorder (VTR), a unit which allows playback and record; a 19-inch monitor, similar to the home TV set; and a monitor/viewfinder camera with a standard 25mm lens. A zoom lens, dolly, microphone and cables complete the accessories, and the total cost of the system, including a dozen tapes, was slightly over \$2,000.

Light is critical, as is use of the camera, but otherwise several hours of operation are sufficient to make the operator comfortable.

Since the system produces one-half inch recording tape, it cannot prepare promotional or informational material for commercial television or cablevision which record and transmit wider tapes.

At this point, the training possibilities offered by the novel TV system are unlimited, yet they're admittedly untapped.

The Employment Service and Unemployment Insurance division personnel currently using closed circuit TV say they hope to begin making their own productions to televise at local offices across the State. If they can find the time and space, their ingenuity shouldn't be far behind.

## MORE WORKERS, MORE EMPLOYERS INCLUDED IN NEW INSURANCE LAW

By CLEMENT "HAM" MATTHEWS  
UI Management Analyst

Changes made in the existing Federal Unemployment Tax Act by Public Law 91-373 passed by the 91st Congress and signed into law by President Nixon on August 10, 1970, made it necessary for the 1971 North Carolina General Assembly to amend the State's Employment Security Law. The State law had to conform with federal legislation, and on June 25, 1971, the General Assembly ratified the amendments to Chapter 96, General Statutes of North Carolina. This statute is known as the Employment Security Law.

Included in the amendments were provisions to extend unemployment insurance coverage to workers employed by State institutions of higher education and State hospitals, an inclusion of approximately 27,750 State workers. Any State institution of higher learning or State hospital employing one or more workers in 20 calendar weeks or paying \$1500 or more in wages for any calendar quarter in the current or preceeding calendar year will be liable to pay unemployment insurance taxes, effective January 1, 1972.

The amended law defines an institution of higher learning as one which (a) admits as regular students only individuals having a certificate of graduation from a high school or the recognized equivalent of such certificate; (b) is legally authorized in this State to provide a program of education beyond high school; (c) provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree or a program of training to prepare students for gainful employment in a recognized occupation, and; (d) is a public or other non-profit institution.

Notwithstanding any of the foregoing provisions, all universities, colleges, community colleges, and technical institutes in this State are institutions of higher education for



Training on aptitude test batteries is given from U.S. Labor Department tapes, shown here in Charlotte, under the guidance of the ESC Industrial Services section.

**THE VET:**  
He's learned team-  
work. Put him on your  
team.

**TEAM PLAYER,  
PRESSURE PRODUCER,  
CAREFUL CRAFTSMAN,  
A LEADER:**

**THE VETERAN.**

**DON'T FORGET.  
HIRE THE VET!**



purposes of coverage under the law.

The amended law also extended unemployment insurance coverage to workers in nonprofit organizations effective January 1, 1972. Nonprofit employers employing four or more workers in 20 calendar weeks in the current or preceeding calendar are liable for unemployment insurance taxes, and this group includes corporations, any community chest, fund, or foundation which is organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or for the prevention of cruelty to children or animals as set out in section 501 (c) (3) of the Internal Revenue Code of 1954, that are exempt from income under section 501 (a) of the Internal Revenue Code of 1954. This new group would include approximately 40,000 employees.

Institutes of higher education and hospitals operated by a city or county (political subdivisions of the State) are not covered.

The following employment is exempt from unemployment insurance coverage:

(1) Services performed in the employ of church or convention or association of churches; (2) Service performed in the employ of a school, college or university by a student who is enrolled and regularly attending classes at such school, college or university; (3) Services performed by the spouse of a student who is enrolled and regularly attending classes at the same school, college or university employing the spouse and at the time such spouse commence to perform service the spouse is advised that the employment of such spouse to perform such service is provided under a program to provide financial assistance to such student by such school, college, or university, and such employment will not be covered by any program of unemployment insurance; (4) Service performed by an inmate for a hospital in a State prison or other correctional institution, or by a patient in any other State-operated hospital or a patient in a hospital operated by a nonprofit organization.

Unemployment insurance benefits will not be payable to an employee in instructional, research or principal administrative capacity of an institution of higher education for any week commencing during the period between two successive academic years if the individual has a contract in any such capacity for any institution of higher education to perform services in both academic years.

When an institution of higher education or a nonprofit organization is determined liable under the Employment Security Law, the Employment Security Commission will furnish reporting instructions.

## "...about to put a manpower policy all together."

A speech delivered by MALCOLM R. LOVELL, JR., Assistant Secretary of Manpower, U.S. Labor Department, before the 35th annual meeting of the Interstate Conference of Employment Security Agencies, San Juan, Puerto Rico.

One of the current favorites among slang phrases—complimentary ones—is that someone or other has succeeded in the difficult task of "putting it all together." I think the United States for the first time in its history is about to put a manpower policy all together, and I thought it might be worthwhile to explore the process a bit with you today.

Some time back the National Science Foundation produced a highly interesting study that I believe has an important message for all of us involved in manpower programs. The study traced the series of individual steps necessary for the creation of a significant scientific innovation.

One of the examples used in the study concerned the development of the electron microscope, a tool basic to man's understanding of and possible eventual control of viruses, including those that may cause cancer.

Before the electronic microscope could be developed, a large number of preliminary and seemingly isolated steps had to be taken. These included new ideas about the nature of light, beginning in 1860; new ideas about the nature of electrons, beginning in 1880; new ideas about the sources of electrons, beginning in 1858; new ideas about electron optics, beginning also in 1858; and, finally, some idea of how to build a cathode ray tube.

Research and development in these five separate areas continued for almost 80 years until all of the accumulated knowledge was put together in 1931, culminating in the first primitive electron microscope.

The significant point about this great breakthrough was that though hundreds of research achievements were necessary over a period of 80 years, nobody saw until late in the game that they were all coming together in a way that make a new invention possible.

I think we are now approaching a late stage of a similar process in our manpower programs.

A number of isolated actions stretching back over almost 200 years are at the threshold of coming together into something this Nation has never previously possessed: a *flexible, highly responsive manpower policy*.

I see advances taking place in six separate areas: our Federal system formerly established in 1789; our labor exchange system, established in 1906; our unemployment insurance system, established in 1935; the development of the electronic computer and data storage and retrieval systems, beginning in 1944, with IBM's Mark I; federal assistance to vocational education, beginning its agricultural phase in 1862 and its industrial phase in 1917; and the effort to improve the use of human resources that began in 1962.

Just as with the steps that led up to the creation of the electronic microscope, all of the developments and improvements in each of these six areas took place more or less in isolation, and certainly with no real idea that they were evolving toward a new and powerful device capable of helping us understand and deal with the virus reflected by the deterioration, mis-use, and non-use of our human resources.

Let's take a quick look at one area in which these various seemingly unrelated developments are coming together.

As we accelerate our transition from war to peace, the Armed Services are producing large numbers of veterans, a high proportion of whom, if unassisted, would find it difficult, if not impossible, to find suitable employment within a reasonable period of time.

As a direct reflection of the President's determination that our veterans be accorded the kind of assistance their sacrifices give them a right to expect from this Nation, on September 24 Secretary Hodgson required all Federal contract employers to list job openings with State employment service offices. This requirement will mean from 2 to 10-million extra job listings. It will double your work load, and should double your effectiveness. This step, which I believe has enormous potential, could not have been contemplated without a vigorous and effective nationwide network of public employment offices. But even with such offices, it would be little more than an idle dream or a futile gesture without the necessary technology, as expressed in the computerized job bank system



which has grown in the past three years from a lonely pioneer in Baltimore and a matching system in Utah to a powerful network of over 100 banks, which will be further extended in the next 12 months to reach throughout the States as well as our major urban centers. Thus we see, in relation to this one important segment of our population—veterans—the converging of separate lines of development. This process, as I have said, takes us to the threshold of a national manpower policy that will be able to stand alongside fiscal and monetary policy as the third major tool in making our economy do what an economy should do in any enlightened, democratic society: respond quickly and effectively to the needs of the human beings who comprise that society. That's the reason why government exists, as the Preamble to the Constitution should remind us.

In moving from a point where we had just the scattered bones of a manpower policy we have in the process gained certain insights of importance to you and to every American.

One of these insights is that if, in pursuance of certain commendable goals, local and State governments are weakened, then we compromise and limit our ability to pursue *any* goals.

This is precisely why we are urging and will continue to urge a system of manpower revenue sharing.

And this is precisely why within the limits of present legislation we are continuing to emphasize decentralization. For too long in the past we looked around for people to fit programs, instead of finding ways of fitting programs to people.

Another insight we have absorbed is that the urgency to do something now has combined with the proliferation of designated programs for designated people to produce policies that are often highly arbitrary.

Since we believe there are more suitable areas for the exercise of imagination than the determination of where we spend or allocate our funds, we are taking two important steps to squeeze this arbitrary element out of manpower policy.

First, we are planning our fiscal 1973 budget not on the old basis of so much for each water tight compartment but rather on a realistic basis of the "universe of need." Manpower funds are—or should be—theoretically designed for needs, human needs, not programs. And it is about time that we make the practice of allocation coincide with the theory of assistance.

To achieve this end we anticipate that the vast bulk of manpower funds will be allocated to State-local Planning Committees that will tell us what the proper program mix should be. One result of this method will be the ability to tell how Philadelphia or Pocatello or Phoenix is *doing* rather than merely how JOBS or NYC, or

WIN, or CEP is *spending* money. That's an important aspect of our effort "to put it all together."

To facilitate this process of putting it all together is our increased emphasis and reliance upon the Cooperative Area Manpower Planning System. CAMPS is a direct reflection of our desire to encourage and promote the development of State and area manpower planning capability. It is proof of our desire to afford Governors and Mayors the right to initiate manpower programs. And it is a pledge that we will fund approved plans and clear significant funding changes with State and local officials.

Thus, the first step in our war against the arbitrary is designing programs for the needs of people.

The *second* step involves what I consider to be one of the most significant developments in the entire evolution of manpower policy. Under Section 11(c) of the Emergency Employment Act, the Congress has authorized the Secretary to spend up to one percent of the total appropriation to provide for continuing evaluation of both these programs assisted under the Act and their impact on related programs.

As a result, for the first time, we will know precisely whether the Nation is getting its money's worth from a particular manpower policy. The real significance, of course, is not to provide the basis for a historical assessment of the Emergency Employment Act, though that will be done not only by ourselves, but by many others as well. The real significance is to extend to all concerned a powerful planning tool to facilitate future decisions that contain a high quotient of rationality.

Let's just step back for a moment and add these insights to recent developments and see where we are going. We have a greater commitment of funds and concern to manpower than ever before in our history; we have sophisticated electronic data gathering, storage and retrieval instruments at our command; we have millions of new job listings flowing into the system; we have the challenge of new groups, such as food stamp recipients and farm workers reaching out for employment services; we have a keen appreciation of the need for local input to solve problems that are, by definition, local and individual, and we have up to \$115-million to evaluate the impact of a specific manpower program.

All the pieces are coming together.

All the preliminary work has been done or is being accomplished.

We are indeed ready to pass over the threshold to a manpower policy worthy of the greatest nation in the world.

There is, however, one final element, one remaining factor.

That factor is whether State Employment and Security Agencies will permit us to take that final step.

Don't misconstrue that statement. I know that from your point of view, which not too long ago was my point of view as well, what you see flowing from Washington is not the carefully phased evolution toward a real manpower policy I have been describing but a kind of contained chaos, a fine frenzy of alphabet soup. I know only too well that we often ask for bread but give you a stone. But I truly believe we're coming to an end of the chaos and that our funding will match our demands.

I think we will move together across that threshold if—if one all important step is taken by all concerned on the local level: State Security Agencies, Governors, and Mayors. That one step requires the bridging of the gap between mistrust and trust. Let me be specific. I refer you to a document entitled *Falling Down on the Job: the United States Employment Service and the Disadvantaged*. I'm sure that many of you have read that document with a sense of frustration. After all you've found almost 6-million jobs for minority workers in the past three years, as I pointed out in a statement responding to these charges by the Urban Coalition and Lawyers' Committee. And I am, of course, well aware of the effective ICESA rebuttal prepared under the leadership of Bill Ford.

But criticism, even unfair criticism, even criticism that takes leave of reality, may often be of great service to those criticised. In this regard, may I recall something that the Australian Prime Minister once said. Speaking before a meeting of the United Nations, he pointed out "That it is just as important that justice *seem* to be done, as it is that justice be done."

In short, I believe that the overall record of the Employment Service is one of justice being done. You are certainly *not* falling down on the job. But the Urban Coalition report bears witness to the fact that a significant group does not believe justice is being done.

This sense of mistrust is nothing you can see or feel or grasp. But it is there. And until it disappears, we will continue to feel the effect of strong pressure against decategorization and decentralization. It is a pressure that cannot be removed by exhortation; only by action—your action and our action.

Once the trust gap has been bridged, we are on our way toward providing this government at all levels with an instrument of social policy that combines precision, directness, compassion, and celerity.

We will have in our grasp a tool that will have almost unmeasurable positive impact on our economy, through



increasing the productivity of our people and assuring that all benefit from the bounty present and potential of our land.

We will have in our hands a tool capable of not only remedial action—dealing with the casualties of an industrial society—but, more importantly, of preventive action. For I see the day coming when our manpower programs possess antennae sensitive enough to detect those changes in technology which affect training requirements, and which operate in such close harmony with our educational system that such knowledge is put immediately at the disposal of curriculum planners.

Finally, by assuring that all in our society who do not work are offered work or a chance to work, we will also strengthen the two inter-related and basic principles of our society that wealth comes through work; and that those who *cannot* work secure a fair share of that wealth.

The evolution of this great manpower tool is arriving at its point of culmination. Just as the creation of the electron microscope provided the knowledge needed to defeat man's ancient enemy of disease, the creation of a fully realized manpower policy will aid us to defeat his other historic and unwanted companion: poverty.

A British statesman in a letter to Winston Churchill once said that the United States "...is like a gigantic boiler. Once the fire is lighted under it there is no limit to the power it can generate."

Well, the fire has been lit under our national manpower policy. And I am convinced there is no limit to the power it can generate for all Americans.

## Ph.D.

(Continued from Page 29)

tional disciplines can be expected to remain strong, but they will no longer be so exclusive of each other. Universities will create more interdisciplinary institutes and centers, where students from a number of fields can work in such programs as environmental sciences which require expertise in a variety of scientific disciplines.

## 'RIGID SPECIALIZATION' HIT

In a report on the manpower situation in physics, the Economic Concerns Committee of the American Physical Society suggests that some physicists might branch out into areas of social need and find new employment opportunities on hospital staffs, as science advisors in secondary school systems, and on the teaching staffs of junior colleges. The report also calls on physics departments to reexamine their training programs for careers in

which employment opportunities are diminishing and to direct their students toward research competence in several areas.

Although his comment dates back 11 years, educator and former Secretary of Health, Education, and Welfare John Gardner perhaps best described the outlook for scientific manpower when he wrote:

"On many occasions in the future there will be an imbalance between the number of men trained for a given line of work and the number of jobs available. Attempts will be made to minimize this through accurate forecasts of manpower needs, but experience with such forecasts has been discouraging. The alternative—and the wiser course—is to educate men and women who are capable of applying excellent fundamental training to a wide range of specific jobs.

"Nothing contributes more damagingly to the unemployment of educated talent than rigid specialization and rigid attitudes supporting this specialization. The future is necessarily hazardous for the individual who trains himself to do a specific job, receives an advanced degree for that line of work, and believes that society owes him a living doing it."

... Reprinted from the December issue of **MANPOWER** magazine, a publication of the U.S. Labor Department.

## OES

(Continued from Page 15)

the State, including industrial and occupational projections. As North Carolina's industrial structure continues to change in future years, the OES program can serve as the vehicle through which our changing occupational needs are made apparent. And as these needs are brought to light training programs most assuredly will be developed to meet these needs for the betterment of all North Carolina citizens.

## RATIO

(Continued from Page 19)

accounts. In other words, only 2.4 percent of the taxable wages of rated accounts were with overdrawn employers who were subject to the 2.9 to 4.7 contribution rates. Practically all (96.7 percent) of the taxable wages with positive reserve rated employers were subject to 1971 contribution rates *below* the 2.7 standard rate and 66.4 percent of the taxable wages in these accounts were subject to rates *less than one percent*, including almost one-third at the minimum 0.1 rate.

Much has been said concerning the mechanics of the agency's Unemployment Insurance program, and especially the part played by the Experience Rating method of financing, but little has been said about the benefits of the program. Obviously, a true evaluation of the benefits derived from the UI program would require canvassing the views of the unemployed UI recipients. Nevertheless, there is no doubt whatever that the program has tremendously cushioned the effects of joblessness. A sample of claimants establishing benefit years in 1970 revealed that on the average they were potentially eligible (i.e., if unemployed long enough) to receive in unemployment insurance benefits approximately 30 percent of what they had earned during their qualifying base period. For those earning up to \$2,000 in their base period, their potential benefit entitlement was almost one-half of their base period earnings. This replenishment of lost wages until the UI claimant is able to obtain another job has had a considerable impact in stabilizing the economy as well as aiding immeasurably the unemployed.

The Unemployment Insurance program, along with related programs, such as those for ex-servicemen, Federal employees, and railroad workers, together with Social Security, minimum wages and other governmental aid programs, have all been instrumental in under-pinning the worker and the economy in time of stress; so that now we are much less likely to slump into a deep depression, as we did periodically in a former day.

1. Includes \$2.5 Million Reed Bill Funds Returned to UI Fund.
2. After Reflecting Subsequently Credited Fourth Quarter 1970 Interest.
3. "Taxable Wages" in North Carolina prior to 1972 consisted of the first wages—up to \$3,000—earned by a particular worker from a single employer during the Calendar Year. Effective with 1972, the Taxable wage limit is \$4,200.
4. An employer's Reserve Balance is the sum of all the contributions credited to his account—the credit is now 80 percent of what he pays in—plus interest income on End-Of-Year Positive Reserve Balances, Minus all benefit disbursements charged against his account since becoming liable. An individual employer's account is charged with its prorata part of benefits paid to a particular worker in the same proportion as the worker's earnings with that employer bears to his total base period wages. For example, if a worker earned 75 percent of his base period wages with Employer "A", that employer will be charged with 75 percent of the benefits paid to the unemployed worker during his benefit year.
5. A newly liable employer may not be rated until it has operated two full calendar years in addition to the year in which it became liable. During this period, it is assigned the standard 2.7 rate unless its account becomes overdrawn, in which case the overdrawn rate schedule applies.





IAPES officers for North Carolina are Helen Gay, Rocky Mount; Cecil Tucker, Kannapolis; Jack Edwards, Raleigh; and Mercedes Howell, Greenville. Jennie Umstead (seated, center) was appointed secretary of the Tarheel chapter.

## IAPES HOLD ANNUAL CONVENTION IN GREENSBORO, ELECT OFFICERS

The North Carolina chapter of the International Association of Personnel in Employment Security (IAPES), meeting at its 35th annual convention, had trouble getting its keynote speaker, but after the two-day meeting was over everyone agreed it was one of the association's best.

Robert Brown and Charles O'Dell of Washington, D.C. had to make last minute cancellations and couldn't keynote the opening sessions.

But Employment Service Director

John Fleming was moved up from his scheduled afternoon appearance, and the meeting got off to a good, although belated start.

The International Association of Employment Security, an organization composed of members who work in employment security and unemployment insurance administration, has a membership of approximately 90,000 people in all states and several foreign countries. Membership in North Carolina is about 800 persons, with

almost all of them state employees of the Employment Security Commission.

A professional organization, each year the group conducts a convention in a designated North Carolina city and an institute at Chapel Hill at the Institute of Government. The convention is usually best attended and the 1972 session was held at Greensboro's Four Seasons' Holiday Inn before approximately 300 persons.

Featured among the speakers at the recent convention were Michael Luciano of Missouri, president of the International Association; Don J. Brown of Campbell-Brown Company, Charlotte; Dr. Arthur P. Bell of A&T College, Greensboro; and newly appointed secretary of the N.C. Department of Commerce, Irvin Aldridge.

Topic of Aldridge's speech was "Individual Responsibility" which was also the theme of the convention.

One of the highlights of the IAPES convention was the election of officers and the presentation of awards. Helen Gay, an interviewer working out of the Greensboro office of the Employment Security, was elected president of the group for 1972-73. President-elect was Cecil Tucker, an occupational analyst of Kannapolis.

Jack Edwards, an area supervisor working out of Raleigh, was elected vice president, and Mercedes Howell, employment interviewer from Greenville, was elected treasurer.

Earl Huitt, veterans employment representative from Charlotte, won the IAPES award of merit, while another veterans employment representative, Hubert Fesperman of Albemarle, received a citation from the Veterans of Foreign Wars.

Convention program chairman was Doug Hoyle of the ESC central office.



Dignitaries at the Greensboro convention included Henry E. Kendall (left), Chairman of the Employment Security Commission, and Irvin Aldridge, Secretary, Department of Commerce. In the right photo, new officers and area chairmen are given the IAPES oath of office by IAPES district committeeman Edson Bates.



## ANALYST

(Continued from Page 9)

for the simpler ones up to a month for the more complex ones such as the Area Manpower Review. There are many more reports dealing with the labor supply and the labor demand which are passed on to the labor market analyst, including one-time developments to meet the needs of the agency or outside requests.

Finally, there are the second line duties of the LMA. These vary among the geographic areas assigned and the individual analyst. They may include any duty between the reception point and management. However, they usually include assistance in plan of service for the local office, civil defense assignments, participation in community programs, assisting in planning local office layouts and staff services, management functions, and varied other undertakings.

## JOLTS

(Continued from Page 11)

made and if any JOLTS reports are in error we complete a form and send the change to BLS Regional. All registry changes are sent to Regional BLS for approval. Schedule substitutes are used to transmit data to BLS when the firm data are received after the second closing date. A sample evaluation is made each year to assure sample adequacy.

1. 1965 Minnesota Annual Report on Labor Turnover.

## VALID

(Continued from Page 20)

management, reluctant to accept the thesis that any reporting error is generally the responsibility of the local office staff, insists that little "gremlins" in the ESC central office are causing all the problems. The Employment Security Automated Reporting System (ESARS) is only a better mouse trap for collecting required data. In order to make it function properly, ESARS reporting must be accepted by staff as an integral part of local office operations. A general understanding of Glossary definitions and of Manual reporting criteria is imperative. For example, what constitutes a counseling interview? What is a placement? What is a promotional telephone contact, or job development contact, or employer visit? Constant checking of ESARS forms should be accomplished before they are routed to the central office while computer print-outs of current job orders should be reconciled with job orders in the local office.

ESARS data have been validated in eight local offices to date by comparing data in the Automatic Data

Processing master file with entries found on basic source documents in the local office. Generally, errors have been found for practically every reportable entry with the majority caused by interviewers failing to blip the correct response position or by omitting the blip on the Optical Mark Reader form. Some errors have been caused by the Opscan Reader operator

failing to run some Optical Mark Reader forms through the machine or by crediting activity to the wrong cost center number. The local office has the capacity to correct any error found regardless of where the "snafu" occurs but a positive attitude toward the reporting system is necessary before the "gremlins," both real and imaginary, can be eliminated.

## Jobless Scientists, Engineers Benefit From Federal Reemployment Program

The federal government, hoping to get unemployed aerospace scientists and technicians back to work, is making job-search and relocation grants available to some of the nation's highest skilled workers.

It's also paying part of their salaries for employers who take on scientists, technicians and engineers willing to learn new skills in employer on-the-job training programs.

Called the Technology Mobilization and Reemployment Program, the job assistance project is administered by the Labor Department's Manpower Administration to help people who lost their jobs because of defense and aerospace cutbacks find employment in their specialties or put their technical know-how to work in new occupations.

Locally, TMRP is the responsibility of various Employment Security Commission offices. The nationwide program was initially concentrated in areas such as Seattle, Philadelphia-Camden, Los Angeles, Cape Kennedy and others when lack of defense contracts cut sharply into aerospace employment, but the program was

expanded to cover all states by the end of 1971.

Allocating \$42 million from the federal treasury, the program provides:

- job-search grants for persons to explore definite job opportunities outside their home area,

- relocation grants so they can move to these jobs,

- on-the-job training for up to six months, and

- statewide and nationwide job clearance information and utilization of the National Registry for Engineers, a central file of job applications and job opportunities.

Scientists, engineers and technicians unemployed because of job cutbacks due to federal contract reductions, cancellations, or terminations within the defense and aerospace industries can apply for these benefits.

Federal grants are also available to employers who will hire the jobless engineer, technician or scientist and train him in a new profession. The program will not grant funds to employers to train workers for the same occupation and industry from which they have become unemployed.

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15  
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# Lost Years?

ARMED FORCES VETERANS  
FIND HARD TIMES  
IN CIVILIAN JOB MARKET.  
WITH UNEMPLOYMENT  
HIGH AMONG EX-SERVICEMEN,  
STATE AND FEDERAL  
GOVERNMENTS ACT TO  
GIVE VETERANS NATION'S  
HIGHEST JOB PLACEMENT  
PRIORITY.

**ESC QUARTERLY**

VOLUME 29

NO. 1-4





## CHAIRMAN'S COMMENTS

HENRY E. KENDALL

*Chairman*

*N. C. Employment*

*Security Commission*

KENDALL

During Governor Bob Scott's administration, the North Carolina General Assembly legislated the reorganization of State government, ostensibly to reduce the number of department heads reporting directly to the Governor, and with an eye to increased efficiency and lower cost of State Government operations.

When the changes were made the Employment Security Commission became aligned with nine other State agencies in a department called Commerce under a Secretary appointed by the Governor. Scott's appointment was Irvin Aldridge.

Governor Jim Holshouser has appointed a 36-year-old Charlotte insurance executive, Tenney I. Deane, Jr., as the first Republican Commerce Secretary.

Deane's Deputy Secretary is Laney Funderburk, Jr., a tall personable young man who was Alumni Secretary at Duke University at the time of his appointment, and we asked the Duke graduate to let us have an article on the Commerce Department so we could publish it in the ESC Quarterly. He did and we did, and we hope you enjoy reading the article which is the opening story.

In this issue we have departed from our usual practice of featuring a specific Tarheel industry or specific Employment Security Commission department. Instead we have published a scattering of articles illustrating the activities of several programs within the Commission—technical services, testing, occupational analysis, employer relations and others.

We have a story on Job Bank, prepared by the supervisor of this program, Rhett Chamberlain. A system to provide quick, timely job referral service to applicants by computerizing employers' job orders, Job Bank is innovative, visionary, experimental, national, and according to Chamberlain, sometimes exasperating. It's the public employment program's newest employment service device and great things are expected from it.

Computers are also being used now by the Employment Security Commission in employment service and unemployment insurance data processing, and our acclimatized basement has some rather sophisticated and impressive hardware. Our mustachioed systems analysis supervisor, Joe Elliott, gives us a sharp piece on page 31 about the ESC computer operation.

National and state governments continue to give special emphasis to employment of veterans. Unemployment among Vietnam era veterans has been as high as double the national adult average rate and joblessness among 20-25 year old veterans has reached a rate four times higher than national averages. Concerned, of course, with this high level, the federal government has enacted laws pertaining to compulsory job listings by employers for veterans and here in North Carolina our Veterans Employment Service is working hard to place veterans in civilian employment. You're informed about this in an article on page 11 and you will also learn about the Department of Veterans and Military Affairs participation with veterans employment in an article on page 9.

# THE ESC QUARTERLY

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OF NORTH CAROLINA**

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The Employment Security Commission administers two major State programs — Unemployment Insurance and the State Employment Service. The Employment Service provides expense free job placement to ap-

plicants through 60 local offices of the Commission. Unemployment insurance covers approximately 1,738,000 workers in North Carolina, providing them with benefit payments in case of involuntary unemployment. The Unemployment Insurance program is supported by payroll taxes contributed by approximately 91,000 Tarheel employing companies, firms and corporations. The Commission has operated since the mid '30's when it was established by the General Assembly as the Unemployment Compensation Com-



# COMMERCE DEPARTMENT COMBINES ASSORTED STATE AGENCIES

By LANEY FUNDERBURK, JR.  
Deputy Director, Department of Commerce

The North Carolina Department of Commerce is one of the most interesting and probably the most diverse of the 17 executive departments of State Government. Virtually all citizens of the State are influenced by the actions of most if not all of the ten agencies which make up the Department.

Broadly stated, the mission of the Department of Commerce is to protect the interests of the public and of businesses serving the public through fair regulations, to promote a high level of employment, and to administer payment of unemployment insurance and workmen's compensation payments.

The Department of Commerce, along with 16 other new umbrella departments, was formed when the General Assembly passed the Executive Organization Act of 1971. Some 300 existing agencies, commissions, and boards were transferred into these new departments.

Eight of the ten new Department of Commerce agencies had previously been independent and two, The Savings and Loan Division and The Credit Union Division, had been divisions of other State departments. Each of the agencies has at its head a commission or board appointed by the Governor, and all exercise broad policy-making authority and make judicial or quasi-judicial determinations. The Department of Commerce began to function in March, 1972. Following the election of Governor Jim Holshouser in November, 1972, he appointed Tenney I. Deane, Jr., a Charlotte businessman, to serve as Secretary.

Many of the readers of the *ESC Quarterly* are aware of the mission and goals of the Employment Security Commission. It is important, however, that all become more familiar with the other nine sister agencies, even though their duties and responsibilities are quite diverse and seemingly unrelated.

The Employment Security Commis-

sion served more than 200,000 citizens through its Employment Services Division during the past year, and supervised payments of Unemployment Insurance to 83,000 of 1,500,000 covered workers. The network of sixty local offices throughout the State is a vital link with citizens who need assistance. Employees of the Commission are engaged in a variety of activities, which include recruitment, counseling, testing, placement, payment of benefits, and analyzing labor market information. Special programs such as CEP (Concentrated Employment Program) and WIN (Work Incentive Program) and working with veterans have been quite successful this year in reaching particular groups of people with particular employment problems. Federal funds support entirely the operation of the Employment Security Commission.

Following are sections about the nine other Department of Commerce agencies:

The State Board of Alcoholic Control is responsible for controlling all aspects of the sale and distribution of alcoholic beverages in North Carolina. The State's ABC system is unique among the 50 states, although it is officially one of eighteen "control" states in which all phases of the alcoholic beverage industry are regulated by the State. North Carolina's uniqueness is centered in the fact that there are 118 separate county and municipal ABC Boards which are responsible for the sale of alcoholic beverages in their county, city, or town. In each case a vote of the people was required to establish the system. The State Board, however, controls the shipment of liquor into the State and has a state-run warehouse from which shipments go to the stores. The State Board controls the issuing of more than 23,000 permits annually. Taxes from the sale of alcoholic beverages represents the fourth largest source of revenue to the State. In fiscal 1971-72 the net collection from alcoholic beverage

taxes resulted in \$60.5 million for the state and \$8.3 million for local governmental units. In addition, local governments received \$7.5 million from beer and unfortified wine excise taxes. In 1970-71 (the last year for which figures are available) local governments received \$19.5 million in net profits from sales of \$178.2 million in 325 local ABC stores.

The North Carolina Banking Commission and the Commissioner of Banks are responsible for the safe conduct of business; the maintenance of public confidence; and the protection of the interests of depositors, creditors, shareholders of more than 1500 financial institutions and licensees. The Commission oversees, through joint field examinations with the FDIC and the Federal Reserve Bank of Richmond, the conduct of business of 69 state chartered banks and their 623 branches and 24 trust departments. North Carolina has both state chartered and federally chartered banks. The Commission has supervisory authority over state chartered institutions only. First Citizens Bank and Trust Company is the largest state chartered bank while Wachovia and NCNB vie for the title among the federally chartered banks. The Commission is also responsible for licensing 690 consumer finance companies, 119 funeral homes which offer pre-need burial contracts, and seven Sale of Checks Act Companies. During the past year more than 150 applications for new banks and banking offices were heard by the Banking Commission. Assessments and fees from the regulated institutions defray all costs of operating the agency.

Perhaps one of the lesser known agencies of State Government and the Department of Commerce is the Office of the Burial Commissioner, which is responsible for auditing records and accounts of more than 375 Mutual Burial Associations with 1.5 million members and 146 publicly-owned perpetual care cemeteries. This is a special fund agency which received no appropriation from the State, but is financed entirely by contributions from the associations and businesses it regulates.

Just as there are State chartered and federally chartered banks in North Carolina, there are also state and federally chartered credit unions. The Credit Union Division administers the laws and regulations governing the operations of 219 state chartered credit unions, which serve more than 225,000 citizens. Credit Unions are cooperative nonprofit corporations organized to promote thrift and to create a source of



credit for loans to members. Assets of these credit unions grew to more than \$200 million in 1972. The Credit Union Division was transferred to the Department of Commerce from the Agriculture Department in 1971. This is a special fund agency which operates on assessments from the credit unions it regulates.

The North Carolina Industrial Commission administers the Workmen's Compensation Act and also serves as the court which hears and processes tort claims (negligency actions) filed against State departments and agencies, and has jurisdiction over death claims filed by such workers as firemen, rescue squads, and law enforcement officers who die in the line of duty. In 1972 the Industrial Commission processed approximately 180,000 workmen's compensation claims, of which some 2,500 individual cases were heard by members of the Commission and Deputy Commissioners. The Industrial Commission also administers a safety program and received funding by the 1973 General Assembly to begin a medical rehabilitation section. The 1973 General Assembly also raised the workmen's compensation maximum weekly benefit from \$56 to \$80 and the total maximum benefit from \$20,000 to \$32,500.

The North Carolina Milk Commission was formed in 1953 to assure a uniform and adequate supply of wholesome milk for the citizens of the State. The Commission has the authority to regulate the production, marketing, and distribution of milk and to suppress unfair, unjust, or destructive trade practices. The Commission has adopted marketing regulations which affect processors in their dealings with dairy farmers, including the establishment of minimum prices which dairy farmers receive for different classes of milk. The actions of the Milk Commission directly affect about 2,000 grade A dairy farmers, 42 processors, 93 branch plants, and 113 sub-distributors. The Milk Commission is a special-fund agency which is funded entirely from assessments paid by both producers and processors.

The Rural Electrification Authority's objective is to secure electric and telephone service for rural citizens of the State. The Authority investigates requests for service and where necessary assists in the formation and operation of membership corporations, including securing loan funds from federal sources. In 1973 the Authority reported that 290,000 electric members and 52,000 telephone members received service from organizations

**TENNEY I. DEANE, JR.,** Secretary of Commerce, is a graduate of Davidson College where he met Governor Holshouser. He is the son of a Presbyterian minister and grew up in northern Florida. Deane is a businessman with a background in industrial insurance and is a Chartered Property and Casualty Underwriter. He spent the last 9 years in Charlotte. Hobbies include photography, camping, and flying. He is a Rotarian.

**M. LANEY FUNDERBURK, JR.,** Deputy Secretary of Commerce, is a native of Mt. Holly, North Carolina, who has lived in Durham since entering Duke University in 1957. Upon graduation from Duke, he joined the Duke University Department of Alumni Affairs where he served in a variety of capacities before being named Alumni Secretary in 1968. He is a Methodist and a Kiwanian. He is married to the former Lois Copeland of Charlotte, and they have two children.

**WILLIAM L. COLE,** Assistant Secretary of Commerce, spent 20 years in the U.S. Army and retired as a Lt. Col. He entered State Government in March, 1972, when he moved to Raleigh, his wife's hometown. The Coles have two teenage sons. Hobbies are "gentleman farming" and telling war stories.

under their jurisdiction. There are 28 electric membership corporations and 9 telephone membership corporations in the State.

The Savings and Loan Division of the Department of Commerce was transferred from the Insurance Department in 1971. It administers, through field examinations, the affairs of 140 state chartered savings and loan associations which serve 700,000 savings customers and 220,000 borrowing customers. Assets of these associations total \$3.034 billion and are growing at the rate of about \$500 million annually.

The Utilities Commission is the second largest Commerce agency. The Commission acts as a court and administers such functions as auditing, reviewing, and regulating activities and services of the various public utility firms in the State. During 1971 the Commission and its staff conducted 244 separate hearings, including 41 general rate cases. During this same

(See COMMERCE, Page 29)



Administrators of the new Department of Commerce are [L to R] M. Laney Funderburk, Jr., Deputy Secretary, Tenney I. Deane, Jr., Secretary, and William L. Cole, Assistant Secretary. The Department combines 10 State agencies.



# VARIED TECHNICAL SERVICES AVAILABLE TO EMPLOYERS

By TOM J. BUMGARNER  
ESC Occupational Analyst

What does an employer do when his operations are threatened by high rates of absenteeism or quitting? When he can't find the workers needed for expansion? When training costs are excessive? When new workers can't learn their jobs quickly? When morale drops? When complaints mount? When he needs to redesign jobs—to simplify them, or perhaps combine or "enrich" jobs to make them more interesting?

How does an employer, particularly if he does not have a large personnel department, cope with such acute manpower problems?

For most, it is still "do-it-yourself." Some may try to locate an outside consultant claiming expertise in solving particular problems. Others obtain assistance from a department in the Employment Security Commission in Raleigh, known as the Employer Technical Services Section.

Through this department the employer may obtain the services of a team of skilled personnel technicians, all trained as occupational analysts. Formerly known as "Industrial Services," this department has expertise in a variety of manpower fields. It can send an analyst to the employer's place of business to assist him in analyzing the causes of his difficulties and in applying proven techniques in solving them.

Often the problem is not what the employer believes it to be. To make an accurate diagnosis, the Occupational Analyst studies the *causes* of absenteeism, turnover, recruitment or retention difficulties, low morale, or excessive training costs. In some instances an employee attitude survey is conducted. Better personnel records may be designed. Aptitude test validation may be arranged. Job content may be analyzed—or someone on the employer's staff may be given training in job analysis.

All of the techniques applied are those either developed or approved by the U.S. Employment Service. Technical assistance is confidential; only the employer has access to study findings and reports.

And there is no charge for technical services provided by E.S.C.

The technical services program has been in existence almost as long as the

public employment service which was established in 1933. In the early days a small staff worked out of the ESC central office to provide occupational analysis services to employers. Many times there was a backlog of several months' work waiting to be done. It was not until 1966 that technical services was given renewed emphasis with the addition of staff to be stationed around the State, readily available to local offices and employers. The highly industrialized Piedmont and the western part of the State were divided into areas with three occupational analysts stationed at strategic locations. The mainly rural eastern part of the State continued to be served by State office staff.

What does the Technical Services Department do? It helps employers, educational and training institutions, labor organizations, other government agencies, and community groups to resolve manpower problems connected with the selection, recruitment, development, utilization, and stabilization of their work forces.

We provide maximum assistance to employers who are experiencing multiple manpower problems that are likely to affect the work force. Where possible we train a representative of the company rather than perform the service, except in cases of firms with multiple manpower problems or in connection with problems related to new, hard-to-fill or "entry" jobs.

Here's a more detailed explanation of the tools and techniques most frequently used in assisting employers:

## Job Information

This can range from a simple one-sentence job description to a detailed job analysis schedule, depending on need. By actually observing and interviewing the worker, we determine what the worker does, how he does it, and why he does it, and the skills involved. Properly written job descriptions are prerequisites for most personnel functions such as recruitments, screening, placement, training, and up-grading of workers.

A job study can yield a vast amount of information useful in resolving man-

power problems, as illustrated in the following case histories:

—In a printing firm, assistance was provided by using job analysis information and the *Dictionary of Occupational Titles* [DOT] to classify jobs and assign standard titles and codes, enabling the employer to establish more realistic hiring requirements, identify entry level jobs, and be more objective in establishing wage rates. Job specifications were prepared for use by the local ESC office in referring job applicants.



BUMGARNER

—In a machine shop, we studied jobs at the request of the employer to provide a basis for a job evaluation study to be conducted by the employer. Job analysis information also provided information on other areas of concern to the employer, *e.g.*, review of the physical demands and environmental conditions revealed possible health hazards and serious housekeeping deficiencies.

Assistance is available to employers in the form of training or actual preparation of selected job descriptions where multiple manpower problems exist. Training is also offered in the use of a position classification format. If a personnel manager prefers training in job analysis, it can be arranged through ESC's Occupational Analysis Field Center.



## Opinion Or Attitude Survey

This popular technique is used by the Technical Services Department to assist employers in resolving manpower problems related to recruitment, morale, absenteeism, and retention of workers. The surveys also help employers plan policies and programs to prevent these problems from developing.

Since the current labor shortage in North Carolina has made it hard to recruit additional or replacement employees, opinion surveys are proving to be one of the most effective tools available to management for determining workers' dissatisfactions and implementing policies and programs to retain present employees.

Prior to conducting an opinion survey we visit company officials to discuss procedures for conducting the survey and to determine their sincerity in regard to implementing changes and programs that would reduce or eliminate employee dissatisfaction. If the employer is unwilling to change, the attitude survey is pointless.

The next step is to assist company officials to select approximately 40 questions appropriate to their particular situation. The questions are selected from 10 basic questions covering such categories as: supervision; training and instruction; employee relations; wage-hours-shifts; working conditions, safety and house-keeping; production; and job and equipment. Open-ended questions are also used to permit employees to write comments. A cover sheet explains the purpose and gives instructions for completing the questionnaire.

Employees are assured their responses will be confidential. A brief talk is given to each group prior to answering the questionnaire. No signature appears on the questionnaire, and upon completion the employee places it in a sealed box which is in the custody of the ESC.

We tally responses to each question by shift and department and prepare a chart showing the trend of responses and pointing out areas of dissatisfactions by departments, shifts, and categories. Write-in comments are analyzed, summaries and recorded. Based on analysis of the chart, comments, and oral responses heard while conducting the survey, we prepare our recommendations. These are discussed in a conference with company officials.

During the past two years, we have conducted opinion surveys in plants varying in size from 45 to 1300 employees. Each survey has produced

information useful to management in resolving morale problems and planning goals in the future.

## Turnover And Absenteeism Surveys

Unexplained employee resignations at a high rate over a long period can be an industry's most costly problem. We help employers develop a system for pinpointing the areas of greatest turnover and the causes of this turnover. For such a study, existing interview records are the best documents.

Absenteeism, like turnover, is costly and often results in eventual loss of workers. During recent years we have helped employers reduce absenteeism in some plants by as much as 80 percent. Several plants in the Piedmont area, with absentee rates of 15 percent or higher, have reduced absenteeism to a low of three percent—and this was accomplished without a significant loss of workers.

Our Technical Services Representatives have instituted effective absentee programs by establishing consistent company policies that offer a rational approach to dealing with work absences. These policies govern management and supervisory responsibilities, keeping accurate and detailed work records, and a system for controlling actions to be taken by the company. Rules must be simple and reasonable, and must be known to employees. They must be enforced uniformly and fairly; violations must be documented.

Before absentee policies are installed we explain them to all company supervisors. Each supervisor must be given authority and responsibility for controlling the attendance of his subordinates, using the methods we suggest. This approach has cut absenteeism among employees with chronic absentee records, and has improved the morale of the majority of workers who are always on the job.

To be sure, not all companies can expect to achieve a two or three percent absentee rate. Plant managers are pleased if absenteeism is reduced by one or two percentage points. If the average rate is five percent, most employers are satisfied.

## Test Selection of Trainees

To aid employers in assessing an inexperienced applicant's potential, nothing is more useful than a validated aptitude test. ESC has validated its General Aptitude Test Battery for more than 500 occupations. We measure acquired skills and knowledges through our clerical skills

testing program. All ESC tests have been standardized and validated to predict success on the job, and are highly regarded by employers and authorities on vocational testing.

The Technical Services Representative may recommend occupational testing to solve the following problems:

1. To improve the selection process by measuring an inexperienced applicant's potential ability to perform a particular job;
2. To assist in evaluating the skills of workers who have had experience of training;
3. To assist in reducing turnover and in resolving other manpower problems that are being created or aggravated by poor selection;
4. To assist in selecting trainees for on-the-job training programs or apprenticeable occupations.

When the need for testing is established, an Occupational Analyst Representative observes the job and prepares a job specification. The job specification is compared with the appropriate technical report for the Specific Aptitude Test Battery (SATB) under consideration to determine whether the duties are similar. If the SATB is found to be appropriate, the employer and local ESC office are notified. All ESC offices are equipped to use tests in screening applicants.

## Design Of Personnel Forms

Well-designed forms are essential to the effective functioning of any personnel system. Sample forms are available to employers. Assistance is also provided in adapting the forms to the employer's individual needs.

## Identifying Physical Demands Of Jobs

An example of this service is provided by a project recently undertaken at the request of the Social Security Administration.

In 1969 the Social Security Administration asked the Employment Security Commission to conduct a pilot study to identify light and sedentary jobs in selected metropolitan areas in North Carolina. Social Security's Board of Appeals needed to know the types and numbers of relatively unskilled jobs in order to estimate the changes for reemployment of handicapped workers filing claims for "total disability."

Occupational Analysts are now engaged in locating jobs meeting U.S. Labor Department definitions of "light and sedentary" and with low levels of

(See TECHNICAL, Page 29)



# ERRORS COSTING EMPLOYERS MORE MONEY THAN DUE

"Many employers in North Carolina are overpaying their unemployment insurance taxes," according to R. Fuller Martin, Director of the Unemployment Insurance Division of the Employment Security Commission.

"Our agency refunded nearly \$500,000 to companies and firms last year because they simply sent more money to the State than was required under the unemployment insurance law," he explained.

The Employment Security Law requires liable employers to pay taxes on the first \$4,200 earned by each covered employee on their payrolls. During the first three years of liability, new employers are required to pay 2.7 percent of their taxable payrolls. The

rate may subsequently drop if the company has a history of low unemployment.

Last year, according to the Employment Security Commission, the average UI tax rate in the State was less than one percent. These tax collections are deposited in the employer's unemployment insurance account.

In August employers are notified by the Employment Security Commission in Raleigh of their tax rates and the balance in their accounts for the forthcoming year.

"Some employers are getting these notices confused and send a check to the Commission in Raleigh for the amount that is in their unemployment insurance account," said Martin.

Currently about 87,000 employers are paying unemployment insurance taxes on almost 2.3 million workers.

Errors and overpayments will be made by 3,000 employers each year, reports the U.I. Director. "Employers are happy to get refunds," he said, "but time and money to audit these payments are costly for the State. Of course, the employer also loses the use of his money about three months, too, so watch those decimals."

# ESC QUERIES 5,000 EMPLOYERS SEEKING WORKER SKILL INFORMATION

The Employment Security Commission begins surveying worker skills and job locations in almost 5,000 North Carolina non-manufacturing business firms, Chairman Henry E. Kendall has announced.

One of a series of federal-state job surveys, it will reach an estimated 100,000 employers across the nation and North Carolina is one of 21 states participating in the U.S. Labor Department project.

Information gained will:

- provide accurate profiles on worker-skill resources by industry and trends in the numbers of workers employed by occupation;

- identify geographic areas in which worker skills are located;

- permit local, state, and ultimately national projections of future worker-skill requirements by industry, and

- identify emerging occupations and occupations in which employment opportunities are declining.

"This information will help government officials at all levels plan

occupational and training programs," reports Don Brande, chief of Employment Security Commission research. "It will also help public and private educators evaluate their vocational guidance programs and make certain these programs are relevant."

The job study is also expected to help businesses and employee groups keep abreast of occupational changes within their industries, helping them compare company patterns with those of industry in general. Geographic location of jobs will also be helpful to management and labor.

Kendall urged all employers receiving the job study questionnaires to cooperate with the State by furnishing the requested information. Reports from individual companies will be kept confidential and data will be published only in summary form.

Similar studies of jobs in wholesale and retail trade, state and local government and other sectors of the economy are planned.

# TAX CREDIT ENCOURAGES WIN HIRING

Employers hiring welfare recipients under the federal-state Work Incentive Program (WIN) can now claim 20 percent tax credit on wages paid these workers during their first year of employment, the Employment Security commission has announced.

The tax credit encourages employers to hire or place in on-the-job training persons receiving Aid to Families with Dependent Children (AFDC) grants after they have been registered for participation in WIN.

Called the "Job development" tax credit, the new regulations are related to the Talmadge Amendments of the Social Security Act which requires all adults over 16 receiving AFDC payments to register for WIN to be eligible to continue to receive benefits.

The Employment Security Commission explained that there are exemptions. If the welfare recipient is not in an exempt category, however, the individual must accept work or training when offered or lose part of his welfare grant.

In North Carolina, the Department of Social Services determines which AFDC recipients are exempt from the program, then registers all non-exempt persons and any volunteers with local offices of the Employment Security Commission.

We'll try to find jobs for them or on-the-job training opportunities to equip them with the necessary skills to retain permanent employment. Nearly all registrants will be women, reports the ESC.

County Social Services officers are completing WIN registrations. After interviewing individuals, and providing day-care, and other services if needed, the county office certifies that the Welfare recipient is available for referral to work or training.

Businessmen interested in hiring WIN participants should contact their local State Employment Office. The office will refer available WIN participants and will provide the employer with a Labor Department certification that the individuals were enrolled in the Work Incentive Program. This statement is required by the Internal Revenue Service to substantiate employers' claims for tax credit on their IRS returns.



## N.C. PARTICIPATING IN NATIONWIDE STUDY TO EXAMINE U.I. COSTS

The nation's unemployment insurance program is undergoing a cost examination by the federal government.

Started last year, a state-by-state analysis of UI costs is being conducted by the Management Services Company, a Sacramento, California, based consulting firm under contract to the U.S. Labor Department.

In North Carolina the study began June 11 and will be completed Nov. 8, 1973.

Purpose of the cost analysis project is "to strengthen the planning, budgeting, and financial management capabilities of the Unemployment Insurance system."

According to the Management Services' team guide manual, the "Division of Budget Development and Review" has begun a major project to improve the ability of the Federal Unemployment Insurance Service to budget and allocate resources. The effort requires analysis of costs to accomplish Unemployment Insurance activities in each state.

"The entire Unemployment Insurance program is undergoing a series of critical tests," the manual continues. "Burdens on the system continue to grow. New legislation has greatly increased the number of persons served. Court decisions have increased the pressures for more timely service."

State UI Division Director R. Fuller Martin says, "We hope that when the project is completed it will act as an instrument we can use to justify the funds necessary for a more proper and efficient administration of unemployment insurance than we're unable to get now."

"In addition, competition throughout government for an adequate share of financial resources continues to put greater demands upon financial managers to accurately determine and effectively display dollar requirements."

Currently, employment security agencies gather large amounts of data on cost and achievements. Data is collected to provide a basis for manage-

ment decisions to direct and control the internal operations of each agency. However, says the Management Services Company, several difficulties impair the effectiveness of the financial management and budget processes:

—The accuracy of time expenditures reported against various functional codes by state agencies is unknown;

—Many budgeted workload values are believed to be incorrect because of system changes, varying workload volume, and variations among state laws;

—Agency administrators, regional administrators, and national office personnel frequently have different conceptions of what true costs really are for different UI activities; and

—Relationships between budgeted and actual expenditures and programs objectives frequently are unclear.

Perhaps processes established by the study will relieve these obscurities.

Requiring 5½ months to complete, results of the UI study will be used as a basis of fiscal '75 budget requests, officials hope.

The study will be divided into three phases:

—Flow chart all unemployment insurance activities, document the quality standards of the agency and design the study;

—Train monitors, test the design and record actual time expenditures and production counts; and,

—Analyze and summarize the time expenditures and production counts and construct a cost model (budget procedures).

Hoping to determine the actual time

for each UI activity in greater detail and to design a cost model that can be used to budget time and staff, the study also will determine the amount of time to accomplish UI activities under the North Carolina law in relationship to the time required for activities under other states' laws.

All Employment Security Commission unemployment insurance activities in the central office in Raleigh will be studied as well as those in seven selected local offices: Raleigh, Reidsville, Winston-Salem, Mount Airy, Sanford, Lumberton, and Jacksonville. In selecting the offices, Commission officials sought diversity of size, services, and location.

The 22-week project will provide two study teams—a "nucleus team" and a "monitor team." Monitors will use eight weeks to measure time expenditures and summarize findings immediately.

The nucleus team, which will work with the project for the entire 22 weeks, includes a representative of the Management Services Company, several systems analysts, and Systems and Procedures Supervisor William Foster as team leader.

Monitors will be analysts and other persons from the ESC knowledgeable in day-to-day UI operations. Joining the study team about three weeks before the measurement period, they will remain about eight weeks and will be primarily involved in collecting time expenditure and production data.

Subsequent to the project, a comprehensive report will be prepared documenting the study.



Members of the team assigned to study unemployment insurance costs are [L to R] Bill Foster, Judy Wilson, Clement Mathews, John Ellis, Alvis Jordan, Sue Stanko and Reuben Edwards. Foster is in charge of the team and Mrs. Stanko is a consultant with the Management Services Company.



# Military And Veterans Affairs Dept.

## Active In Efforts To Find Jobs

### For Returning Vietnam Era Veterans

By COL. C. S. MANOOCH, JR.  
Public Affair/Special Projects Officer

More for the Veteran—a new role for the National Guard and a new name and image for Civil Defense—all received immediate attention when John J. Tolson, III took the reins as Secretary of the Department of Military and Veterans Affairs in March 1973.

Tolson, a retired three star Army General, brings a "get the job done" attitude to the Department of Military and Veterans Affairs, where he was sworn in as Secretary on March 5, 1973.

The choice of Secretary Tolson to head the new Department was a popular one from statewide military and civilian circles alike, and friends of Tolson were quick to respond with favorable comments.

A long-time friend at Fort Bragg said Tolson is unlikely to accept things "just like they are." "He is a hard worker, an innovator, a man who likes to try new things, even in the Army, and North Carolina is likely to get the benefit of a lot of his new ideas," he said. A long-time associate at the Pentagon said that Tolson is "one of those rare individuals of the old Army who helped the new Army bridge the generation gap with young people."

Both opinions were correct, as Secretary Tolson has already introduced many new ideas, and his respect and devotion to the young Vietnam War era veteran has been apparent during the first three months of his tenure.

A North Carolina native, he attended the University of North Carolina and graduated from the U.S. Military Academy at West Point. He served in three wars during his 35 years of distinguished military service, of which more than nine years were spent overseas. During World War II he served with the 503d Parachute Infantry Regiment in the Pacific Theater, where

he participated in all jumps, to include the recapture of Corregidor Island in February 1945. He served as a Regimental Commander and Division G-3 with the 82nd Airborne Division at Fort Bragg, and later served as Commanding General, XVIII Airborne Corps and Post Commander there. He also commanded the First Air Cavalry Division in Vietnam for 15½ months. Other principal assignments included Chief, U.S. Military Assistance Advisory Group to Ethiopia; Commanding General, U.S. Army Aviation Center, and Commandant, U.S. Army Aviation School, Fort Rucker, Alabama.

While serving as Commanding General, Fort Bragg, in 1969, he started the development of "Operation Awareness," the first drug rehabilitation program in the Army. When the Department of the Army inaugurated its first authorized and directed Drug and Alcohol Abuse Control Program in 1971, "Operation Awareness" served as the model. Also during this same period General Tolson initiated a community service program which was called "National Building," whereby troops at Fort Bragg helped to improve the welfare of the less fortunate in civilian communities nearby. The Department of Defense now endorses a similar nationwide program called "Domestic Actions."

The Department of Military and Veterans Affairs, springing from government reorganization, was activated in March 1972, and is the arm of State Government most directly involved in military affairs and veterans affairs in North Carolina. Divisions within the Department include the National Guard, Veterans Affairs, Civil Preparedness, and the Civil Air Patrol.

In the area of veterans affairs the Department is deeply conscious of the need to recognize the veteran, particularly those from the Vietnam War era, and to assist these veterans in finding jobs. At the same time the role of DMVA in obtaining jobs for veterans has been a supporting one rather than



GEN. JOHN J. TOLSON

a directing one as jobs per se are the responsibility of the Employment Security Commission, assisted to a large degree by the Veterans Employment Representatives.

From the beginning when the first Job Fair was held last year at Camp Lejeune, DMVA has supported efforts to bring national, regional and local employers and jobless veterans, or soon-to-be veterans, to a common meeting ground. The objective, of course, is to provide employment to our Vietnam War era veterans who have found job hunting unlike and a little more difficult than experienced by veterans of previous wars.

The larger Job Fairs for veterans were held last year at Camp Lejeune, Seymour Johnson, and Fort Bragg. Job Fairs are planned again this year at the same military sites, and in addition at Greensboro, Lumberton, Winston-Salem, Asheville, Charlotte, High Point, Rocky Mount, Salisbury and Wilmington. Close coordination between the DMVA and the Employment Security Commission is being maintained to affect mutual input into the Job Fair effort. It is anticipated that National Guard facilities and some personnel will be used to assist the local community effort.



The Department of Military and Veterans Affairs, through the National Guard, is making a concentrated effort to encourage employer support to the National Guard. Governor Holshouser took the initial step by signing a Statement of Support for the Guard and Reserve and affirmed his State policy to encourage Guard membership for employees in State Government.

Of primary importance is the need to keep the employer well informed of any special awards or accomplishments that his employee/Guardsman receives from the National Guard. The employer must be assured that his employee/Guardsman will become a better employee by virtue of his Guard training, where he receives, among other things, extensive leadership and management experience which can be applied profitably in his civilian job.

A major effort is being made to change the image of Civil Defense from one that deals primarily with atom bombs, fallout shelters and response to enemy attacks to one that coordinates preparedness to and relief from all hazards, natural and man-made. Secretary Tolson recently announced that emphasis should be placed on civil preparedness rather than civil defense, as it reflects the agency's functions more accurately. He said, "I feel that too many people associate the title Civil Defense only with bomb shelters and war. While shelters are still an important part of our overall program, there are other equally important features of the organization.



**COL. MANOOCH**

The current restructuring of the armed forces in the U.S. calls for a small regular military establishment and has placed the heaviest reliance in history upon the National Guard as an immediate ready force in the event of future national emergencies. More

reliance on the Guard means that a high state of training must be maintained. A higher state of training means that Guardsmen will probably have to spend more time away from their civilian jobs, a situation already "touchy" among Guard employers.

"The thrust of the activities from the Office of Civil Defense today is preparedness for assistance and recovery in times of natural disasters such as storms and floods. The title Civil Preparedness more accurately describes the functions of the agency."

## **TO AID VETS, FEDERAL CONTRACTS REQUIRE EMPLOYERS TO LIST JOB OPENINGS WITH EMPLOYMENT OFFICES**

By **MALCOLM ANSPACH**  
State Veterans Employment Representative

Public Law 92-540, known as the "Vietnam-Era Veterans' Readjustment Assistance Act of 1972," was signed on October 24, 1972. The intent of Congress in Title V of the act is to add the authority of public law to the President's Veterans' Program.

Because the basic apparatus already existed in large parts in other laws and mandates, this act made certain that the veterans' services would receive highest priority as ordered by the President and the Congress of the United States.

The benefits of the act are not restrictive to veterans alone as the program expands to include private industry in even a larger role than it has had in developing closer working relationships with the Employment Security Commission.

The mandatory listing of job openings with the Employment Service in cases where the employer has contracts with the federal government affects all public employment systems by placing in their hands orders for individual job openings up to \$18,000 per year.

The Secretary of Labor's new regulation requires all contractors and sub-contractors, subject to Public Law 92-540 with contracts of \$2,500 or more, to list all suitable job openings with the state employment system.

Although the Employment Service is not an enforcing agency, it is responsible to coordinate and develop productive efforts in contacts,

The Department of Military and Veterans Affairs is exercising close coordination with the various counties in North Carolina in affecting its Civil Preparedness Program through an on-site assistance effort. This provides a real "grass roots" situation and a chance for close work, research and harmony between the members of the State staff, local Civil Preparedness personnel, as well as leaders of the local communities. This commonality of effort will assure a higher percentage of community preparedness.

referrals, and in an information exchange.

The Secretary stated that "it cannot be over-emphasized that the mandatory listing program under the new law must be implemented by state agencies in order to insure that the program receives maximum emphasis and renders the essential priorities afforded by law to our veterans."

In light of the new laws and the President's renewed mandate for action, the Secretary of Labor has instructed the Employment Service to assist in the program expansion and implementation. The responsibility delegated by the Secretary of Labor plans to:

1. Further reduce the number of unemployed veterans.
2. Substantially reduce the unemployment rate for the age 20 to 29 veteran to a level at or, if possible, below that of non-veterans in the same age group.
3. Focus special attention on serving the disabled veterans, the Vietnam-Era veterans, and minority veterans.

The Veterans Employment Service of North Carolina has fully accepted the challenge of fulfilling these goals and will continue to implement its mandate to make certain that greater and more meaningful employment opportunities are made available to every veteran.

As in the past, the local Veterans Employment Representative in North Carolina has made the program in our State a notable success, and the



two-year trend of growing unemployment among Vietnam-era veterans was reversed. The number of unemployed veterans was substantially reduced until the rate for veterans now exceeds non-veterans by less than one percent. Finally, an accomplishment of significant long-term value was the creation of a new image for the Employment Security Commission which affects veterans and non-veterans alike. The public communications, the involvement in the community, and the employer relations emphasis combined with the higher degree of local office awareness provided the formula for success.

The effectiveness of the program operations, with a multifaced promotional effort and a high degree of cooperation and coordination between private and public sectors, highlight the program during its developmental phase and provided a stimulant in serving the veterans of North Carolina.

However, this is not the time to slacken our efforts and rest on our laurels during a phase of high employment and low unemployment. Our fluctuating economy will surely display a time of desperate need to the public for our services and we should be ready with all efforts and resources to provide the specific activities of the Employment Services when this need occurs.

### **Balance Of Efforts**

Through an outreach program to bring the applicant to our door and the continued flow of the employers' orders, we serve in placing the "right man in the right job." It is our duty to maintain a balance of efforts to provide continuity of operations and service to the public.

Programs such as the Mandatory Listing of Jobs, Revenue Sharing, and Employer Relations are but a few of the tools with which we strengthen and expand our efforts in serving the people of North Carolina in their manpower needs. The other face of our work involves the professional attitude that shows the public, including the worker, that we are a service organization devoted to their needs in obtaining career information and assistance.

The 643,000 veterans of North Carolina (including the new law definitions of eligible veterans) are in essence our responsibility in providing services and special emphasis as mandated by the President of the United States and the law.

## **EMPLOYMENT REPRESENTATIVES SERVE VETERANS IN ALL N.C. AREAS**

The North Carolina Employment Service and its Veterans Employment Service celebrate a 40th birthday in 1973. In 1933, the Wagner-Peyser Act provided for a Federal-State system of public employment service, including a mandate "to maintain a veterans service to be devoted to securing employment for veterans." It provided for a distinct Veterans Employment Service as an integral part of the public employment service network. In its history, the public employment service at state and local levels in North Carolina reflects a proud level of accomplishment in service to all veterans.

In November, 1971, the State was given specific responsibility for implementation of the President's veterans program to close the gap between veteran and non-veteran unemployment. North Carolina Employment Service responded to the task with enthusiasm and vigor in providing urgently needed employment assistance to veterans. As a result, the level of unemployment for veterans dropped from 3.1 percent above non-veterans to .5 percent above non-veterans in January, 1973.

The United States Congress on October 24, 1972, enacted Public Law 92-540 which amended Title 38, United States Code, and reinforced the Servicemen's Readjustment Act of 1944 (GI Bill of Rights) and the Veterans Readjustment Act of 1952 and 1956. It continued to charge the State Employment Service with insuring that all veterans receive the maximum of priority and job opportunity through employment, job training, and supportive service.

The Employment Service has been instrumental in North Carolina's becoming one of the most effective and well known strongholds for veterans services. We remain in the top 10 states for overall services to veterans and for excellence in services to disabled veterans.

Working closely with the Veterans Administration Regional Office, the N.C. Department of Military and Veterans' Affairs, and the N.C. Veterans' Council, which includes the major veterans organizations, the Veterans Employment Service has

taken the lead at "grass root" level in promoting veteran services. In each of the 60 local offices, there is at least one Veterans Employment Representative. These employment specialists work closely with other service organizations and with the local communities in their area of responsibility. In today's wide range of educational and employment specialties, the task of matching the individual's needs with the occupational opportunities dictates that the field staff of VER's become highly skilled in outreach and occupational counseling, and they must be totally aware of the employment and training impetus of the communities they serve. With involvement in the developing community action groups and veteran task forces, and by virtue of his active participation with local governments in labor and training management, the VER greatly increases his effectiveness as an ambassador of the Employment Security Commission.

During the past months of the economic whirlwind where thousands of jobs go unfilled and industry grows with leaps and bounds, the veteran may find "stop gap" employment on every corner. However, the program of fitting the right job with the right applicant is not an easy task. The computer operator working in construction or the school teacher in the mill is not at all uncommon. Traditional placement service is fading to emerge as career development and individual job development service. Weary of regimentation and with high expectations, the young man returning to civilian life finds his dreams smashed with realities that the cold world's interest is the weekly paycheck and not his accomplishments or his contribution to the society he so desperately wishes to join.

No matter how much emphasis the federal government, state government and local communities place on helping the veteran, the veteran must become fully aware of where and how he may gain the information and help available to him in pursuing his ambition and career. Offering information and guidance through communication with the public and job promotion for the

(See VER, Page 38)



June 6, 1973, marked the 40th anniversary of the establishment of the Employment Service by the Wagner-Peyser Act. As this milestone is reached, it is appropriate to consider the key to a successful placement program—EMPLOYER RELATIONS.

Employer Relations is emphasized as a top priority in all Employment Security Commission office activities. To understand the emphasis currently afforded to employer relations, a brief review of Employment Service history is needed. Since its establishment in 1933, the Employment Service has been characterized by continuing adaptation to changing economic and social needs. Prior to the last decade, the Employment Service was largely employer oriented, maintaining a basic labor exchange function in the job market. It was a major source of recruitment and placement of workers during World War II. During the Sixties, much legislation based largely on social conscience was enacted. A large proportion of these laws were given to the Employment Service for translation into actual services.

The emphasis shifted to training and supportive services, largely for those persons who were socially, educationally, and economically disadvantaged. The Employment Service found many of these socially-oriented programs a challenge and channeled its resources toward providing employability development for the disadvantaged. As the frequent advocate of the unemployed and underemployed job seeker, the Employment Service became less acceptable as a labor exchange for many employers and fully qualified job seekers, and placements had declined dramatically by the end of the decade.

The diversion of the Sixties helped the Employment Service mature. It grew in its capacity to serve the special employment needs of the disadvantaged. Although the disadvantaged comprise only one of many groups of applicants served, probably no group presents a greater challenge because of inherent characteristics. By learning to better serve this group, the Employment Service simultaneously improved its ability to help those who offer less challenge.

An equally important learning from the experience of the sixties was the realization that as a labor exchange, the Employment Service must be equally responsive to the needs of applicants *and* employers. It must reach out to the employer and seek to

# EMPLOYER RELATIONS

**ESC SEEKS CLOSER  
ALLIANCE TO N. C.  
EMPLOYERS THROUGH  
ACCURATE APPRAISAL  
OF IN-COMPANY NEEDS  
AND QUICK PLACEMENT  
OF APPLICANTS IN  
ALL OCCUPATIONS AND  
JOB CATEGORIES**

**By JOHN BRIDGES  
Super., Employer Relations**

understand his needs. In response to the identified needs, the Employment Service must seek to meet those needs with comprehensive manpower services. It must provide qualified applicants to fill the employer's job vacancies in *all* occupational and skill categories. Through its Industrial Services program, the Employment Service must share its technical expertise with employers large and small to aid them in resolving personnel problems, such as absenteeism and turnover. In short, if the Employment Service is to operate a labor exchange, it must have ample job orders.

Employers provide the job orders. Employers will use the Employment Service only if it provides a service the employers need and want. The current emphasis on employer relations is soundly based. The operation of a viable placement service requires that each Employment Security Commission office develop and maintain effective relationships with the employer community—the fountainhead of job opportunity.

The seventies ushered in an Employment Service redirected to its fundamental purpose—job finding assistance for *all* who request assistance. In North

Carolina, an intensive effort to revitalize services to employers and reverse the downward trend of job openings listed with the Employment Service was launched in 1971, reinforced by a U.S. Department of Labor sponsored conference in Kansas City, Missouri, May 16-21, 1971. The employment Service in collaboration with North Carolina Manpower Development Corporation, a non-profit research organization partly funded by the U.S. Department of Labor, analyzed employer services activities and needs. Employers, applicants, and local office personnel were consulted for recommendations and ideas. The result was a multi-phased employer services development model which was adopted by the Agency in late 1971. This model included a training curriculum for employer relations representatives and plans for an aggressive outreach program to secure wider acceptance by employers and applicants.

On an administrative area basis, area supervisors and local office managers attended one-day orientation meetings designed to increase their awareness of the employer relations process and their responsibilities for its development. Orientation stressed the need for adequate placement back-up to deliver job applicants promptly on job orders received during the planned aggressive outreach to employers. Employers were invited and attended each session for direct input into this development stage.

Following manager orientation in each area, local employer relations representatives attended three days of training. These sessions utilized awareness training techniques to help the participants develop an increased awareness of themselves and others, and ultimately to build improved skills in interpersonal relationships. This experiential approach to training enhanced the effectiveness of employer contacts subsequently made by those who attended. Training in eight administrative areas was completed between January 21 and September 8, 1972.

The enhancement of the employer relations process through awareness training was a significant advancement for the Agency. Not only did it provide relief from the traditional classroom atmosphere, but it penetrated to the very core of employer relations, indeed, any area of human relations—human needs and motivation in interpersonal relationships. Successful employer relations requires an aware-





**BRIDGES**

ness of why people act as they do—what motivates them. In the face-to-face interview or even a telephone discussion with an employer, the Employer Relations Representative first must be aware of himself, understanding and controlling his own behavior; likewise, he must try to understand the employer with his unique needs and motivational sources—what makes him think, feel, and act as he does.

Not the least consideration is the sometimes subtle non-verbal communication in the employer's gesture or glance. An increased awareness of the dynamics of interpersonal relationships equips the Employer Relations Representative to practice the art of persuasion, required to convince the employer community that the Employment Service can serve his best interest. The employer relations program is sales oriented, but selling is not manipulative. Part of the purpose of the awareness training is to increase ability to sense *real* needs. It is then the responsibility of the Employer Relations Representative to select appropriate solutions from the numerous resources of the Employment Service to help fill the employer's identified need. Of course, the primary resource is the labor exchange, job seekers to fill job openings. Simply, the Employer Relations Representative pursues the salesman's motto: "Find A Need and Fill It."

The image of the Employment Security Commission as a public agency greatly affects its effectiveness. If the traditional low profile is maintained, public acceptance is left to chance, and chances are that acceptance will be equally low keyed, if not negative.

Too long the Agency has allowed the public to think of its offices as the "Unemployment Office." To visualize only long lines of unemployed and

unemployable persons is a misconception of the Employment Security Commission. To allow this and negative feelings about the Agency's association with the disadvantaged is a disservice to job seekers and employers who would use the Employment Service if they knew the full story. It is true that the Agency administers the Unemployment Insurance program; but additionally, the Employment Service operates the largest labor exchange in the State and Nation. It is true that the Agency provides special assistance to the disadvantaged, including Welfare recipients; but it is also true that the Employment Service helps find jobs for engineers, computer programmers, electricians, and secretaries. A low profile with scanty publicity and understatement allows half-truth and myth to flourish and can virtually destroy the effectiveness of the Agency as a labor exchange.

On the other hand, if the Agency aggressively seeks high visibility, much can be done to influence public opinion positively. The Employment Service Division of the Employment Security Commission has the necessary technology, equipment and competent staff to translate the public laws that entitle all citizens to free job-finding assistance into realized services—people placed in jobs that need them. As a labor exchange, the Employment Service can operate effectively only if employers and job seekers both know about and use the system. In fact, the more widely the Employment Service system is accepted and used, the more effectively it works.

The Employment Security Commission of North Carolina seeks high visibility. Far from hat-in-hand and apologetic, the Employment Service is proud of the services offered and intends to let the people know. The recently installed statewide network of Job Banks for computerized placement assistance attests to the commitment of the Agency to placement objectives. Over 90,000 letters were mailed to employers across North Carolina to announce the installation of this system and solicit use of the Job Bank. Local Office personnel made 35,667 visits to employers during 1972, an increase of 17.6 percent over 1971. Job openings listed with the Employment Service totaled 189,349 in 1972, a substantial gain of 28 percent over 1971. These results are gratifying, but the real accomplishment was 90,877 placements, an increase of almost 14 percent over 1971.

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## LAW CHANGED ON U.I. ENTITLEMENT DURING PREGNANCY

By **HARRY HARRISON**  
ESC Chief Counsel

On April 11, the 1973 session of the N.C. General Assembly ratified House Bill 640, amending the Employment Security Law of North Carolina so that women may now qualify for unemployment insurance benefits during periods of pregnancy.

Previously, pregnant women were not entitled to benefits three months prior to or three months subsequent to the birth of the child.

Under the old law they were automatically ineligible for six months.

The amended law, however, rules that pregnant women will be treated in the same manner as any other claimant, and that their rights to benefits will be determined upon the basis of their physical ability and availability to employment.

Officials believed the prior law was discriminatory solely on the basis of the individual's sex, *i.e.*, that it was in violation of the equal protection clause of the 14th amendment of the Constitution and a similar provision in North Carolina statutes. Objections to the prior pregnancy provisions were based on the principle that non-discrimination requires that a woman be considered on her individual capacity and not on the basis of any characteristic generally attributed to females.

The trend to abolish the 6-month ineligibility period for pregnant women actually began with passage of the Civil Rights Act in 1964 which prohibited discrimination because of race, color, sex, religion and national origin. Within the next few years courts began recognizing federal policy by systematically eliminating sex discrimination as contrary to law and public policy.

It was believed that the prior law denied the pregnant woman equal protection under the laws, failing to consider her willingness to work, her ability to perform on the job, or her personal medical safety.

The amended law provides that women claimants should be determined eligible or ineligible for unemployment insurance benefits on their being "able" and "available" for work the same as now applied to male claimants.



## NORTH CAROLINA INITIATES COMPUTERIZED JOB LISTINGS

# JOB BANK

By RHETT CHAMBERLAIN  
Systems and Procedures Supervisor

North Carolina has a statewide job bank network fully compatible with the national network which allows complete interchange with job banks of other states.

It started a number of years ago when the United States Employment Service recognized the limitations inherent in the system of a small group of interviewers working with the applicant group they interviewed and the employer's job orders they took. Except when either applicants or orders were superabundant, both applicant and employer were indeed lucky when *either* the best man for the job *or* the best job for the man got to the same group of interviewers at the same time. By the 'sixties the man-job matching techniques of the 'thirties had been substantially improved. However, the concept of the system itself remained unchanged. Change in basic procedural concepts was essential because the world had changed. It had grown smaller as transportation sped up. The labor market had changed and mobility of labor had become a common phrase. To meet the new and rapidly changing needs of both employers and applicants, the Employment Service had to find a way to broaden the effective range of interviewers beyond the five mile radius which their order box and applicant file would cover. Procedures for referral of applicants of one group of employment interviewers to the employer orders of another group were cumbersome even for referrals to employers ten to 25 miles away and, therefore, were used sparingly. The concept of matching the local order with the local applicant was strongly entrenched. It had become clear that the way to broaden the range of interviewers was not to modify specific procedures of the time honored system, but to alter the fundamental concept of the system itself.

The President of the United States personally ordered such an alteration in concept when he called for a nationwide job bank. As a national concept, job bank is a system in which each job order taken is made available to each interviewer for screening against every applicant. In theory this would always provide for a match between the best man for the job and the best job for the man. Our basic reason for existence would no longer be limited by chance meeting within narrow geographic boundaries. Whether the theory of the new system could be realized practically was still to be determined.

Implementation of the job bank system in North Carolina has not been free from trial and tribulation. We have frustrated local employment office personnel whose only crime was a sincere effort to cope with the job bank system efficiently. We have bewildered and irritated employers such as the lady who called our first computer-assisted, centralized order-taking unit and blurted, "Am I talking to a person or a machine?" We have provided an incessant supply of problems to the central office Employment Service staff and recently transferred responsibility for all computer problems to the Unemployment Insurance Staff.

We have, indeed, had a busy three years, but we do not have a final verdict on the overall effectiveness of the system as a placement tool. The statistical evidence available can be interpreted to suit the whim of the interpreter because of the wide variety of factors which affect our placement results. For example, placements in one office dropped about 20 per cent the first month. Is this bad? Should we consider the fact that the two nearest offices both dropped over 50 per cent during the same month with no assistance from job bank? When



another large office went on job bank, the manager reported an increase of 40 per cent over placements the same month of the previous year. Should we celebrate? Or would it be prudent to wonder about the shortcomings of the previous year? Small offices frequently benefited substantially, we are sure, but may this not simply represent a shift of placements from large offices to smaller ones rather than a real increase in placements?

Even horseback opinions, sometimes quite valid, are clouded in this case by factors which so strongly influence first impressions that fair subjective evaluation may be impossible for some time to come. For example, it is fair to assume that during the first several months of implementation any system will be more difficult for operating personnel than the system to which they were accustomed. It should surprise no one that placements suffer during this period and, indeed, figures seem to show that the more abruptly an office converts to job bank, the greater the initial loss. The abrupt transition, however, seems to result in a more rapid recovery than that of offices which ease in and spread the initial shock. To make a bad situation worse, human error of the central office and computer operations staff are heavier during early transition periods for each local office. Losses in these cases are temporary, but they do nothing to mitigate the bad first impression. We have tried a variety of procedures within prescribed job bank framework and made some educated guesses, but we cannot claim certainty of success at this point.

Despite frustrations of implementing an unfamiliar system, we have established a firm basis on which to build a viable placement system. Employers' orders are taken by local office interviewers trained to describe fully the sort of applicant needed. With the exception of domestic service openings and others usable only in a limited locality, over two-thirds of our orders are keyed onto a magnetic tape in the local office on the day they are received from the employer. These orders, along with all transactions and activity, are transmitted at high speed via direct distance dial telephone from magnetic tape of one local office to another at the computer site. One key-tape operator, working at the speed of a good typist, will use less than ten minutes of telephone transmission time near the end of the day to submit his work to the computer site. During the night the computer will integrate the new work with that already on file. Completed work will be removed to



**Employment Interviewer Jerry White scans a computer print-out listing job information and applicant requirements [above] and typist Nancy Batten displays microfiche cards containing thousands of job availabilities. The print-outs and microfiche cards are made available to local State Employment offices twice a week from the Job Bank operation in the ESC Central Office.**







**Employment Aide Emma Dickerson [left] and Interviewer Mary Frances Paylor of the Raleigh State Employment Office take job orders from local employers for placement in the Job Bank. Most of the applicant referrals to employers are varified by telephone contact, so the telephone is a vital link if Job Bank is to operate quickly and efficiently.**

record keeping files and the new orders added. Fresh, up-to-date lists of available jobs are produced on microfiche and other information, including error reports, are printed on paper. Each morning the newly organized, current information is available for the use of the local office interviewers.

The interviewer will have an average of ten times the number of "local" orders he had before job bank. He also has access to openings from all over the State as well as selected jobs from other states for applicants who wish to relocate. In some cases he may have the complete listings of out-of-state job banks and in all cases he can determine the existence of openings from job banks all over the country by calling our Central Office. Considerable organization, self-discipline, and understanding of the new system is required of the interviewer to avoid being buried under a surplus of information.

"Local" orders now consist, ideally, of every order in commuting range of applicants the interviewer serves. The available method of grouping, unfortunately, puts some offices in fringes of several areas so that most of the orders on microfiche grouped for them are not really within commuting distance and other sets of microfiche must be examined to ensure coverage of all jobs which are in commuting distance.

Even for those interviewers who find that most of the orders grouped on microfiche are truly within commuting distance, substantial differences in interviewing techniques are required to cope efficiently with ten times the number of orders they previously had. Some time will be saved when applicants understand that they can obtain referrals to any location instead of visiting several of our local offices. Use of long distance telephone for bringing together applicant and employer, for us

a major innovation of job bank, is an essential key to providing adequate service outside of our traditional five mile radius.

Verification of our referrals has always been an Employment Service problem and job bank provides no full solution. We must determine accurately whom we placed and why others referred were not hired.

As in the past, most of our referrals will be verified by telephone contacts with employers. As in the past applicants may be given postage-paid introduction cards which have our return address. These help, but applicants frequently neglect to give them to employers or even mention our involvement in the referral.

Job bank provides a computer generated message to be mailed to the employer. The contents identify the applicant and offer a means for the employer to indicate on a postage-paid



**Interviewer Julia Clark of Raleigh explains the viewer to an applicant. The microfiche cards are inserted into the device of magnification on the screen. Key tape operator Margaret Henry keys onto magnetic tape job orders taken during the day. This information is transmitted on high speed telephone lines to the Job Bank computer in Raleigh.**



card his reaction to the applicant. Unlike the introduction card, these can be depended upon to reach the employer.

The return addresses are preprinted and therefore limited to a few large offices who take their own and forward others to smaller nearby offices. The employer may feel that he is being asked to respond to one or two of our interviewers by telephone and send two cards to one or two offices. No one could justify such a procedure. It will indeed be unfortunate if lack of understanding is allowed to nullify the value of the computer-generated mailer or to restrict our need to know the employer's reaction to our referrals and also that the applicant hired did not report for work. We cannot claim credit for the applicant who never shows up. The speed of telephone verification is needed to determine what may be wrong with the applicants we are referring. Fast feedback of this information may allow us to change order requirements and make better referrals. Speed is also essential in learning that additional referrals are not needed, but these two pieces of information alone are inadequate.

The introduction card, if the employer gets it, and the mailer are intended for this purpose rather than for dun notices. A non-returnable introduction card has been prepared for use with the mailer to avoid the appearance of double billing. There are even advantages in providing one card for immediate response and another, which arrives about two days later, for applicants who were held for consideration or told to report to work at a future time.

Results of referrals and the number of openings the employer filled by other means are reported to the computer to complete the transaction and generate the reports by which we are judged. The entire job, from recording characteristics of the applicants we serve and orders we receive to the final disposition of both, is fed into the computer which returns to us operational aids and keeps the score. Someday it may also participate in the matching process, but today human judgment is required to go beyond rudimentary matching of very basic factors.

Our potential is a literal fulfillment of our longstanding policy to match the best man for the job with the best job for the man. New tools are not unmixed blessings, but we can and shall become proficient with this one. We have

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## ESC NAMES NEW PERSONNEL TO DIRECT TWO DEPARTMENTS

Since the last issue of the ESC Quarterly, the Employment Security Commission has made changes in two of its top level administrative posts and has established a new department within the agency.

The new department is the Division of Administrative Services and it combines departments which previously were joint services reporting directly to the Chairman of the Commission.

Personnel, Evaluation and Training, the Bureau of Employment Security Research and the Business Office have combined into Administrative Services under the direction of John L. Allen, Jr., of Raleigh.

Allen, who resigned as ESC Business Manager in 1961 to take another State job, returned to the Commission in September, 1972, and oddly enough he replaced the man who replaced him 11 years earlier as Business Manager.

When C. L. Wilson retired September 30 after 34 years State employment, Allen was appointed Wilson's replacement, then subsequently to director of Administrative Services.

Allen was ESC Business Manager from 1952 through '61. He resigned to take an appointment as Assistant Director of the Department of Conservation and Development.

After two years in that assignment he became State Budget Officer, then State Personnel Director. In 1965, Allen was appointed Controller of the Highway Commission and three years later joined the N.C. Manpower Development Corporation. Subsequently, after several years in private business, Allen again joined the State with his return to the Employment Security Commission.

The Department of Administrative Services is new within the agency, essentially established to reduce the number of departments reporting directly to the chief administrator of the Commission, and it is one of three major ESC divisions.

The ESC Legal Department got a new director in April, 1973, when Henry D. Harrison was named Chief Counsel. He replaced David Ball who had 23 years with the Legal Department. He had been senior attorney and Chief Counsel for four years before he

retired the first of April after 36 years with the State.

A Wake Forest Law School graduate, Harrison joined the Employment Security Commission as an attorney in 1968. He was previously engaged in private practice in Raeford.



ALLEN



HARRISON



# ADMINISTRATIVE CHANGES MADE IN EMPLOYMENT OFFICES

Retirements, promotions, and the death of an area supervisor have all affected personnel changes among Employment Security Commission local office managers in recent months.

James E. Knight, former manager of the Wilmington local office, was promoted to area supervisor August 1st, replacing Howard Winstead, who died July 3. Winstead had worked for the Commission for over 30 years.

A native of Wilmington, Knight had been manager of the Wilmington office since 1967. He joined the ESC in Wilmington as an employment interviewer in 1961 and now, in his new job, he will have administrative responsibility of employment offices in Lumberton, Sanford, Kenansville, Jacksonville, Goldsboro, Wilmington and Fayetteville.

Albert E. Payne has become manager of the Morehead City ESC office following the retirement of its former manager. Retired after 20 years Army service, Payne was the veterans employment representative in Monroe before moving to Morehead City. He attended school at Central Piedmont Community College, University of Maryland, Southeastern University and the Armed Forces Institute.

Another retired military man, Marion F. Barnhill, has moved to New Bern to take over managership of the ESC officer there. A veteran of 26 years in the Air Force, Barnhill was a bomber pilot during WWII and he was

promoted to the New Bern post after eight years with the Wilmington office. His most recent assignment there was Job Bank manager. Barnhill is a native of Tarboro and he and his wife have seven children. He has long been active in church work and has held many church offices.

Out west a native of Mitchell County has become manager of the Hendersonville local office. He is John E. Murdock, Jr., a former interviewer and veterans employment representative in the Spruce Pine ESC office. Murdock, who holds a BA degree in history from Western Carolina University, spent five years in the Marine Corps. Subsequently, he worked in textiles before joining the State. His promotion was effective January 1.

Another graduate of Western Carolina University, Ed Guy, was promoted manager of the Bryson City office April 1, succeeding Fred Riddle who moved to the Salisbury office. A business administration graduate, Guy joined the ESC in 1967 as an interviewer in Sylva and then became an employment counselor stationed in Cherokee. In 1971 he was promoted to field representative serving five western counties.

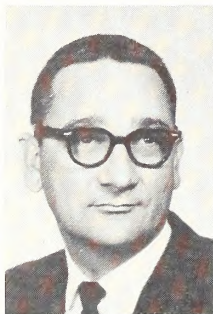
James C. Crooks is now manager of the Washington local office. A native of South Carolina, Crooks retired from the Air Force in 1948 after 20 years active military service. While in

service he had tours in England, Korea and France. He had three years as an AFROTC instructor at the University of West Virginia and a tour in the Pentagon. After retirement he worked in Minnesota for a short while, then returned to N.C. for an interviewer job at the Charlotte local office in 1970. Jim says, "I have attended night school at the University of Maryland, Central Piedmont Community College and UNC. Now I have approximately three years college. I intend to continue schooling until a BS degree is obtained."

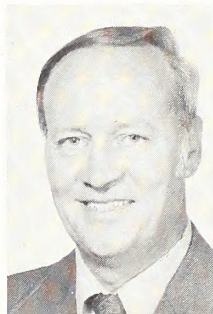
When long time Mt. Airy manager John Taylor retired, David B. Johnson moved over from managership of the Lenoir office to take over Taylor's job. A former Army Medical Service Corps officer, Johnson is a 1964 graduate of Wake Forest College with a degree in history. He joined the ESC in 1966 and worked as a veterans employment representative for three years in Lenoir.

Out east again the Williamston local office has a new manager. He is William R. Ayers, a native of Robersonville. He graduated from Wake Forest in 1967 and two years later joined the State as an interviewer in Williamston. Then he was promoted to the Wilmington office and afterwards to the Raleigh central office. Ayers returned to Williamston as a claims supervisor in 1972 and then was promoted to manager of the Ahoskie office. He became Williamston manager in April.

Current manager of the Ahoskie office is Guerry Goode, a native of Jacksonville, Florida and a 13-year Air Force veteran. Goode joined the ESC in 1964 as an interviewer in Raleigh. He later became an interviewer in Durham and Winston-Salem and was promoted to Ahoskie manager May 1.



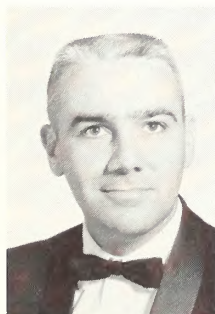
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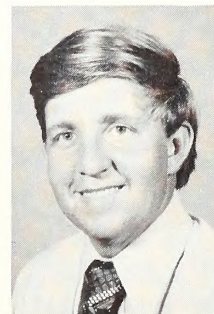
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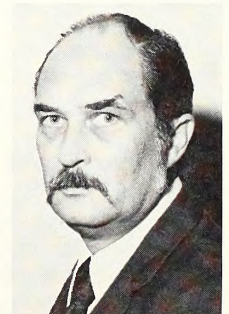
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JOHNSON



AYERS



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# MORE WORKERS, EMPLOYERS ARE UNDER U.I. LAW

Effective January 1, 1972, the Employment Security coverage was expanded by about 150,000 workers and as a result wage payments have now grown by over half a billion dollars annually. The coverage expansion has been as follows: (1) the previous industrial coverage has been lowered from employers of four or more workers to those of one or more; (2) nonprofit organizations, such as religious, charitable, civic, social, and fraternal associations, employing four or more workers have become liable for the first time; (3) State hospitals are newly liable; as are (4) institutions of higher learning such as colleges and universities.

The number of additional reporting units attributed to the expanded coverage had an even greater impact

as over 30,000 units were added or a gain of 65 percent over the former coverage. The accompanying table portrays the gains in reporting units, employment and wage payments by major industry groups resulting from the expanded coverage. Although the table is concerned only with measuring the gains contributed by the expanded coverage over the former coverage in the first quarter, 1972, it is also illustrative of the significance of the expanded coverage. With the extended coverage, first quarter, 1972, employment registered a significant 10.6 percent gain over first quarter 1971 employment. But if the expansion had not taken place, the rise would have been held to an insignificant 0.1 percent.

Of the seven major industry groups, Service was the primary beneficiary from the extended coverage. Not only were over 11,000 small service establishments with almost 70,000 workers added to the Service group, but it was expanded to include approximately 30 State hospitals employing 8,000 workers and almost 90 institutions of higher learning with over 30,000 workers. Thus, the gains of the Service group over its former coverage were quite large: 11,165 reporting units of 140 percent; 106,657

employment or 101 percent; and \$675 million in wages annually or 115 percent (based on first quarter 1972 data).

As to be expected, the Trade group followed Service in the numerical size of the gains in reporting units, employment, and wages because of its large number of traditionally small establishments. This group added almost 11,000 reporting units with about 22,000 workers and annual payrolls approaching \$100 million. On a percentage basis, reporting units were expanded by 54 percent; employment, seven percent; and wages, about four percent.

With respect to percentage gains over the former coverage, Construction varied little from the experience in the Trade group because of the great number of small construction establishments. The numerical gains, however, were much smaller because of the smaller size of the industry: reporting units gained about 3,500; employment about 8,000; and wages of about \$42 million annually.

The Finance, Insurance and Real Estate group is also one that employs a large number of small establishments such as small insurance and real estate offices. As a result, the expanded

(See EXTENDED, Page 29)

## IMPACT OF EXTENDED COVERAGE BY BROAD INDUSTRY GROUP FIRST QUARTER 1972

[The contribution made by the Expanded Coverage]

Industry Group	First Quarter 1972					
	No. of New Firms		Employment		Total Wages	
	Number Added	Percent Gained†	Number Added	Percent Gained†	Amount Added (,000)	Percent Gained†
Total	30,245	64.8	147,213	10.4	\$208,773	9.1
Construction	3,448	55.9	7,920	7.9	8,739	5.1
Manufacturing	1,078	15.6	3,865	0.5	4,248	0.4
Transportation, Communication and Utilities	674	34.8	1,574	1.8	1,673	0.9
Trade	10,895	54.3	21,770	7.0	20,812	4.4
Finance, Insurance and Real Estate	2,585	82.1	4,504	6.8	5,450	4.3
Service*	11,165	140.0	106,657	101.3	167,003	114.7
State Hospitals	31	—	8,069	—	15,142	—
Institutions of Higher Learning	87	—	30,219	—	58,768	—
Other@	400	93.5	923	11.5	848	6.8

† Percent added to old coverage contributed by the expanded coverage in the first quarter 1972.

\* Includes State Hospitals, Institutions of Higher Learning, Nonprofit Organizations, etc.

@ Agricultural Services, Forestry, Fishing and Mining.





By **HERB W. CAMPBELL**  
Test Research Supervisor

The present labor market offers a challenge to all engaged in personnel work for the best utilization of available manpower. Tests are, of course, far from being perfect, predictive instruments; but unfortunately this is even more true of other methods of appraising individuals' fitness for jobs. This does not mean that tests should replace other methods used in hiring, however; tests do add further information about the applicant. When tests are used in the hiring process, employers find that benefits accrue in terms of lower training costs, higher production, and lower turnover.

"But the Equal Employment Opportunity Commission and the Office of Federal Contract Compliance are against testing." Not so! The following quote from the purpose of the EEOC's "Guidelines on Employee Selection Procedures" not only endorses but encourages the use of properly validated tests.

"The guidelines in this part are based on the belief that properly validated and standardized employee selection procedures can significantly contribute to the implementation of non-discriminatory personnel policies, as required by title VII. It is also recognized that professionally developed tests, when used in conjunction with other tools of personnel assessment and complemented by sound programs

of job design, may significantly aid in the development and maintenance of an efficient work force, and indeed, aid in the utilization of human resources generally."

Sound like something new? For years the Test Research Unit has been involved in a continuing program of research to ensure that our tests remain the most "properly validated" assessment tools available to the many employers throughout the country using our services.

From 1947 until the early 1960's, test development and research was a function of the Industrial Services Section and was conducted by IS Occupational Analysts whenever need arose out of other industrial services involvement. By the mid 60's the demand for these studies had grown so much that three analysts were doing test development projects as a major part of their jobs.

The North Carolina Employment Security Commission continued to prove its capability and willingness to accept and carry out projects for the national office and North Carolina employers, and in 1966 a separate test development unit was authorized by the U.S. Department of Labor for the North Carolina agency. This unit was authorized five positions for the sole purpose of test development and research.

The unit continued to grow through the years that followed and in 1971, with a staff of nine, was cited by the U.S. Department of Labor for its outstanding contributions to the national test research program for 1970.

In 1972 the unit became the Southern Test Development Field Center, one of three field centers in the nation, with added responsibilities for coordinating test research efforts and data collection for 17 southern states. Additional duties included training test research analysts from approximately 25 states or the eastern half of the United States. To carry out these duties as well as regular test research activities within the State, the Field Center was allocated five new positions, bringing its total number to 14, the largest test research staff in the nation.

The unit's primary responsibility since its inception has been the validation of Specific Aptitude Test Batteries, using the General Aptitude Test Battery as a research instrument.

This is done in accordance with a research process established by the American Psychological Association, which are the guidelines later adopted by the EEOC and OFCC.

A job analysis is conducted to

identify aptitudes that may be important for successful performance of the job and to ascertain that all workers to be included in the research sample are performing the same job. All employees in the sample are tested with the complete GATB and a measure of job performance obtained from the immediate supervisor. A preliminary statistical analysis is then conducted again to identify relevant aptitudes. The information obtained from the qualitative and quantitative analyses is then combined and a final analysis conducted to obtain the final set of norms. The final set of norms is the most efficient set of norms for a particular occupation. It is the set of norms that, when used in combination, will screen in the largest number of good workers and screen out the largest number of poor workers.

The types of research conducted by the Test Research Unit have varied through the years with the goals of the Employment Service. In 1966 priority was placed on the development of the Non-reading Aptitude Test Battery (NATB), a non-reading edition of the GATB, designed to measure the aptitudes of the educationally disadvantaged. This project remained top priority until its completion in 1971. The NATB is now being used in our local employment offices across the nation.

Another special project was initiated in 1967, the development of the Basic Occupational Literacy Test (BOLT), an achievement test designed to measure the basic reading and arithmetic skills of adults. The test will be used by Employment Service personnel to measure the extent of literacy training needed by educationally deficient individuals going into various training programs. Eventually the BOLT will be used to establish realistic educational requirements for success in specific occupations based on functional educational levels as opposed to formal educational levels. The BOLT is currently scheduled to go into operational use within the next year.

The unit continued to work on various special projects through these years. Studies were conducted on pre-testing orientation programs, a new interest inventory, proficiency tests for typing and dictation, studies on the new manual dexterity boards to ensure equivalency, and research on testing the deaf, including revised GATB instructions to be used by local office personnel to administer the GATB to deaf applicants.

In 1970 emphasis was again placed on SATB development. With the issuance of the EEOC "Guidelines on



## NATB

The NATB is a non-reading version of the GATB and is designed to measure the same nine aptitudes of the educationally disadvantaged. Eight new tests were developed especially for the non-reading battery to measure aptitudes G, V, N, S, and P, while six of the twelve GATB tests, with revised instructions and format, were retained to measure aptitudes Q, K, F, and M. It was possible to retain these six tests because the individual's performance does not depend on his ability to read. Total administration time is approximately 3½ hours.

## GATB

The basic tool used for USES test research is the General Aptitude Test Battery [GATB], which was first published by the United States Employment Service in 1947. Since that time the GATB has been the object of a continuing program of research to validate specific tests against success in many different occupations. Because of its extensive research base the GATB has come to be recognized as the best validated multiple aptitude test battery in existence.

The GATB consists of 12 tests which measure 9 aptitudes: General Learning Ability [G], Verbal Aptitude [V], Numerical Aptitude [N], Spatial Aptitude [S], Form Perception [P], Clerical Perception [Q], Motor Coordination [K], Finger Dexterity [F], and Manual Dexterity [M].



CAMPBELL

Employee Selection Procedures" many tests used in industry began to face challenges on validity. During this time the GATB's and SATB's held their own as validated tests.

The Duke Power Case in March 1971 was the turning point in the history of personnel testing in general. In this case, the U.S. Supreme Court placed the burden of proof on the employer to prove that his selection methods were non-discriminatory and job-related. The GATB continued to meet the new standards, even to the extent that various employers across the nation were ordered by the courts to use USES tests in lieu of tests they were using when charged in discrimination cases.

The same burden of proof, i.e., that our tests are not discriminatory, rests with the Employment Service; and early in 1972, the U.S. Department of Labor's Testing Branch decided that revalidation was needed on many of our SATB's in order to assure employers using our testing service that no discrimination, even inadvertent, was taking place.

This revalidation was needed because, at the time the majority of the SATB's were developed, there was no documentation of minority and non-minority group representation in the sampling. Since it is essential to have a sample that is representative of the working population, this information has become increasingly vital in implementing equal employment opportunity in industry. Moreover, many of the batteries were developed a number of years ago and need to be updated to determine whether the aptitude tests are still valid after job changes brought about by advanced technology.

In early 1972, the Manpower Administration appropriated funds for a nationwide revalidation effort. Many states which had never been involved in test research were staffed with analysts. All other projects were phased out or dropped, and in June 1972 our top priority became revalidation of SATB's with minority group representation in the samples.

Many operational changes began to take place in our testing program. One change affected our program immensely. The number of Specific Aptitude Test Batteries that we could report results of applicants to employers was reduced from 466 to 177.

This change resulted in some loss of employer confidence and a noticeable loss of confidence by some of our local office managers. For years the GATB had held its own, and now we were in effect saying that we were unsure of

the validity of over half of our SATB's since minority groups were not adequately represented in the original samples. These SATB's will become operational again as soon as revalidation permits.

There seems to be an attitude among some employers as well as our own personnel that "testing is on the way out." Again, not so! Why should we do away with the most scientific selection tool in existence? Why should the Employment Service want to discontinue testing when it is one of its best selling points for ES services? To prove this point, we conducted a survey of employers when our number of SATB's was trimmed to 177. Over half of the employers who discontinued testing also discontinued using the *Employment Service as a source of applicants*.

## Nothing Replaces Testing

Testing is here to stay. There is nothing that can replace it. If alternatives existed, we would have already explored them. The speed with which we return to normal testing procedures depends to a very great extent on the ability of our local office personnel to sell the program to employers and, to an even greater extent, on employer cooperation. It is the employers who are interested in testing who will save our testing program.

Since our revalidation efforts began, many local office personnel have given their time in assisting our unit in the search for samples of workers in these occupations; many employers have scheduled workers to be tested for research purposes, paying them for the time involved or even overtime in many cases so these studies could be carried out. Due to the efforts of these people, our revalidation program is underway. But, we are still a long way from home!

Test development analysts are traveling daily, searching for samples, contacting employers, explaining our program, and testing samples of workers for these studies. However, we need many additional samples.

Employers who have used our tests for years and know the value of testing have an optimistic attitude. Their main question is how long will it be before they can use our tests again. The only answer we can give at this time is that it is totally dependent on our joint efforts. We need local office personnel to talk testing to employers and employers to assist us by furnishing samples, regardless of size. Most of all, a more optimistic attitude of the testing program is needed in our own camps. After all, it is one of the best tools that we have.



## CONGRESS CHANGES SOCIAL SERVICES PROGRAM

# WORK INCENTIVE

By CARL NEWTON  
WIN Supervisor

The Work Incentive (WIN-I) Program, which was authorized by Title IV of the Social Security Act, became operational in five counties in North Carolina during the latter part of 1969. Its objective was to help persons who were receiving financial support and social supportive services under the Aid to Families with Dependent Children (AFDC) program to secure gainful employment. The program provided training, basic education, and job placement services. Under this program, the Department of Social Services determined those AFDC recipients who were appropriate for WIN and referred them to one of four WIN projects which were administered for the Department of Labor by the Employment Security Commission.

In December of 1971, Title IV of the Social Security Act was revised again by certain amendments which became effective on July 1, 1972, and which are known as the "Talmadge Amendments," for Senator Herman Talmadge of Georgia, who introduced the bill. These amendments resulted in the emergence of a new Work Incentive Program, "WIN-II."

(See Insert, Page 23)

The Talmadge Amendments provided an opportunity to standardize the WIN adjudication system. Procedures have been established in North Carolina for processing hearings and appeals in cases which arise because of failure or refusal to accept employment or to participate in the WIN program without good cause, or because of a claim of exemption on the grounds of a change of status. The adjudication process will be divided between the Employment Service Division and the

Unemployment Insurance Division. The first level of adjudication will be handled by the Employment Security Commission local office WIN staff, the second level by the UI Claims Deputies, the third level by the UI Appeals Deputies, and the fourth level by a National Review Panel.

Although the Talmadge Amendments became effective on July 1, 1972, it was not until May 1, 1973, that the WIN-II program was expanded on a statewide basis to offer services to the remaining 95 counties in North Carolina which were not included under the WIN-I program. The delay in implementing WIN-II was due primarily to the time required for the joint development of a statewide operating plan for approval by both State agencies, to the time involved in hiring and training new staff, and to the time involved in implementing a statistical system for the reporting of WIN activities. The WIN-II program in North Carolina is administered jointly by the Department of Labor and the Department of Health, Education, and Welfare. Program operations for the Department of Labor are the responsibility of the Employment Security Commission; those of the Department of Health, Education, and Welfare are the responsibility of the Department of Social Services. The implementation of WIN-II requires close cooperation and the exchange of information between the two agencies.

The function of registering individuals for WIN is performed by eligibility specialists in the Income Maintenance Units of the Department of Social Services at the county level. Completed registration forms are

forwarded to the appropriate WIN office, where WIN staff review them and select registrants for appraisal. Those registrants who are selected for appraisal are notified to appear for an appraisal interview which is conducted jointly by WIN staff and the Department of Social Services staff whenever possible. If, as a result of an appraisal interview, an individual is judged to be appropriate for WIN, the individual then becomes a WIN participant. When the individual can be referred to a job or training, certification is requested from the Department of Social Services Separate Administrative Unit (SAU) to the effect that needed supportive social services can be provided. The supportive services requested are those required for the participant to accept work or training. If no services are required, the SAU certifies to that effect.

The major thrust of WIN-II is toward job placement, on-the-job training, and public service employment. The 1971 Amendments require that at least one-third of all WIN funds be spent to provide on-the-job training and public service employment to WIN participants. However, some institutional training is possible where it can be established that the training will lead directly to employment and where it has been established by the local Labor Market Advisory Council that jobs are likely to be available in the area at the end of the training period.

Since the success of the WIN program depends upon the developing of jobs for participants, a new incentive has been provided to employers in the form of a WIN federal tax credit provision in the Revenue Act of 1971. The amount of the WIN federal tax credit is 20 percent of cash wages or salaries paid to a WIN employee for the first 12 months of employment. The first 12 months of employment do not have to be consecutive, but no WIN tax credit will be allowed for wages paid after 24 months from the first day of employment. The amount of credit that can be claimed is limited to the income tax liability, generally. However, if the tax liability exceeds \$25,000, the maximum credit is \$25,000 plus one-half the amount of tax credit over that amount. Amounts not allowed because of the limitation may be carried back three years and then forward seven years. However, no unused credit may be carried back to a tax year beginning before January 1, 1972. The credit may be claimed for tax years beginning after December 31, 1971. If a WIN employee voluntarily leaves employment, or leaves because of illness or disability, the employer may claim the



## Win II

To require that non-exempt individuals register with the manpower agency for manpower services, training, and employment as a condition of eligibility for AFDC. Those individuals who are determined by the Department of Social Services Income Maintenance Unit staff to be exempt from registration remain a part of the AFDC population in exempt status. Exempt recipients may volunteer for registration and enter the WIN registrant pool. These individuals will be treated as other registrants, except that no sanctions will apply if they refuse to accept employment or to participate in WIN. Mothers who volunteer must be registered upon their request.

To decrease from 20 percent to 10 percent the cost of non-federal contributions to WIN operations.

To mandate that state welfare agencies establish separate administrative units (SAU's) at the state and local levels to perform services solely in connection with the administration of the WIN program, and to participate with the WIN manpower agency in the development of employability plans which describe the education, training, work experience, and orientation needed by individuals to become employed.

To require that a Statewide Operational Plan be developed jointly by the State WIN manpower agency and the State welfare Special Administrative Unit. This plan prescribes how the WIN program will be operated at the local level and will indicate the number and types of positions which will be provided for training, for on-the-job training, and for public service employment.

To require that a Public Service Employment program be established to provide federally-subsidized employment for WIN participants with public or private non-profit agencies, leading to permanent unsubsidized employment.

To require that a program of on-the-job training be established to provide federally-subsidized training for WIN participants hired by public or private employers, leading to permanent unsubsidized jobs.

To authorize an incentive payment of not more than \$30 per month, and payments for transportation and other costs to the extent that such costs are necessary and directly related to participation in the WIN program.

To provide for the establishment of a National Coordination Committee to establish a uniform reporting system and similar administration policies; and for the establishment of Regional Coordination Committees for each region which will review and approve Statewide Operational Plans.

To require that, beginning July 1, 1973, and for every fiscal year thereafter, the Department of Social Services must certify to local employment offices as being job-ready at least 15 percent of the average number of individuals required to be registered during the year. The federal share of AFDC assistance payments will be reduced by one percentage point for each percentage point by which the number of certifications fails to meet the 15 percent requirement.

To require that Labor Market Advisory Councils be established or designated by the Department of Labor in areas with a significant number of persons registered for WIN, in order to identify and advise on the types of jobs available or likely to become available in the area served by the Council. The North Carolina Manpower Council performs this function in North Carolina, working through local Ancillary Manpower Planning Boards.

tax credit for the period of time the individual was employed. To meet eligibility for the tax credit, employers must receive certification from the Employment Security Commission to the effect that the WIN employee was registered for WIN at the time he was hired and that the WIN hire is not causing unemployment elsewhere.

Employers may also receive a fast tax writeoff for providing facilities for on-the-job training for WIN workers and for day-care facilities for the children of WIN workers.

From a total of 46,564 AFDC families

## MRS. W, X, Y, AND Z

Mrs. "W" is black, 31 years old, has completed the 12th grade, is separated from her husband and has four children, ages 7, 8, 9, and 10. She had been on welfare approximately seven years, and was receiving a welfare grant of \$188 a month when she entered the WIN program.

Her previous employment of about nine months was primarily as a food service worker and as a domestic maid with wages ranging up to \$1.00 an hour.

Mrs. "W," unemployed, entered the WIN program in February, 1972. She was provided the standard WIN manpower services: three weeks of orientation, including counseling, testing, determination of job interests; the how, when, and where to seek employment, and how to cope with problems such as transportation as it relates to employment. An attempt was made to instill self-confidence in Mrs. "W." Day care for the children was arranged by the county Department of Social Services.

Testing indicated that she needed refresher courses in certain high school subjects. She was scheduled for six to eight months of refresher high school subjects to be attended daily at a local technical institute to help her qualify for a higher level job in the health occupational area or in a manufacturing plant position. She was counseled and provided encouragement by the WIN counselor to strive for her objective during this period of schooling.

In December, 1972, she was hired as an electronic assembler at \$1.80

in North Carolina, it was estimated that 23,446 individuals would be registered in the WIN program in fiscal year 1972-73. Of these it was estimated that 12,894 would be appraised and that 5,250 would be selected for active participation in the program and certified. However, it has been necessary to reconsider these estimates because program activities did not begin statewide until May 1. Full WIN activity began on that day, however, and it is anticipated that the program will easily meet its goals in fiscal '73.

an hour with the opportunity for substantial advancement. Her employer later called the Employment Security Commission local office, on his own initiative, and stated that Mrs. "W" was performing her work well. The employer asked that additional WIN participants be referred to him for employment interviews.

The county Department of Social Services is in the process of reducing her welfare grant to \$8 a month.

\* \* \* \*

Mrs. "X" is black, has completed the 8th grade, is divorced, 30 years old, has six children, aged 3-12, and has been on welfare approximately 10½ years. She was receiving \$211 a month welfare payments when she entered the WIN program.

Her previous work experience consisted of about one year. This employment included waitress work at \$1.15 an hour and as a laundry attendant at \$72 a week.

She was unemployed when she entered the WIN program in August, 1970. She was given the standard WIN services.

A review of her interests and abilities indicated a need for her high school graduate equivalency. She attended an adult basic education course for about seven months. She obtained her high school graduate equivalency certificate in March, 1971. She then attended a six-month clerical course.

Mrs. "X" began employment as a tax clerk at \$378 a month with the county tax office in October, 1971. In November, 1972, she was still



employed. Her supervisor states that she was performing her work very well. Her welfare grant has been reduced.

\* \* \* \*

Mrs. "Y" was a 30-year old widow with seven children. She had completed the 8th grade and entered WIN in January, 1970. Between March and May of that year, her two oldest daughters, ages 15 and 12, each had an illegitimate child, increasing the size of the family to ten. Her husband had been killed in 1968, leaving her deeply in debt.

During the time Mrs. "Y" was taking general educational development classes in her community, her oldest two daughters were continually in trouble, being suspended every few weeks for conduct problems, and she was in extreme financial distress.

During WIN counseling, Mrs. "Y" had always expressed a desire to have a job helping people and counseling them. In December of 1971, the local housing authority had a job opening for a social work aid who, living in one of its housing projects, would know the problems of its tenants. Mrs. "Y" applied for the job and was told that she could have the job if she could get an automobile. She consequently obtained a driver's license and with the help of her mother made a down payment on a vehicle.

She was hired by the authority and has been working full time for a year. She has attended several workshops to increase her knowledge and is in line for a raise. She provides transportation for people in the projects who have appointments at hospitals, doctors' offices, the Department of Social Services and other places. She takes children to day care centers and in general is a liaison person and troubleshooter between project tenants and the housing authority. Her oldest daughter completed nurse's aid training in the Job Corps and is presently trying to enter a technical institute for LPN training.

\* \* \* \*

Mrs. "Z" is black, has completed the 10th grade, is divorced, 31 years old, has three children, ages 3, 5, and 8, and had been on welfare approximately two years. She was receiving \$26 a month welfare

(See SUCCESS, Page 29)

## **In 40-Year History, Public Employment Program Manages Conglomeration Of Federal-State Manpower Projects**

The Federal-State employment service system celebrated its 40th anniversary June 6 with more than 400 million candles on its birthday cake—one for each time it has placed a person in a job.

How many more the total should be is not exactly known, because statistics for the first two years of the infant agency have grown hazy. It is known that 409 million placements have been made since 1935.

It is conservative to say that for each working day, over its 40 years of existence, the Employment Service has placed 42,500 persons in jobs—an average of 88 per minute.

By far the world's largest employment service, the system covers the 50 states, District of Columbia, Guam, Puerto Rico, and the Virgin Islands with a network of more than 2,400 bustling full-time offices and nearly 2,000 more itinerant points where manpower services are provided to small or isolated communities on a scheduled part-time basis.

Backbone of the Nation's vital complex of manpower programs, this far-flung network of public "employment" offices since 1946—as far back as certain records go—has taken 293 million new job applications and given 48 million counseling interviews and 38 million aptitude and proficiency tests.

In the last 25 years, for which statistics are readily available, it has filled 200 million non-agricultural job openings alone.

This vast and highly developed manpower complex has been taking an average of 8.7 million new job applications a year. It has made 10.6 million job placements a year, including those placed more than one time in a year; it has listed 7.5 million non-farm job openings annually, and filled 5.6 million of them.

Yet it is sufficiently attuned to the needs of each individual that it can help a person decide whether his employment prospects are better if he chooses to become a tailor or a nurse or an

electronics assembler.

The Employment Service has developed the world's most reliable and widely used batteries of general and specific aptitude tests, which were put into use first in 1947 and have been constantly improved and expanded since then. The ES can test a deaf mute or a quadruple amputee or a retarded youth; it has devised tests for persons who cannot read. It can help applicants assess interests as well as aptitudes, and manual dexterity as well as skill in handling numbers.

The U.S. Employment Service test batteries are also used officially by the Government of Canada and by some 84 other foreign countries.

ES reaches out to contact every returning serviceman to offer a helping hand in returning him to the mainstream of the Nation's economic life. When the draft was going strong, the Selective Service System referred every draft rejectee to the local employment office for job help.

Of the two and a quarter million Vietnam-era veterans placed in jobs, job training, or in school during the first 20 months of the Government-wide President's Veterans Program (through Feb. 1973), more than one-fourth—567,000—were veterans placed directly in jobs by the Employment Service.

Like the veterans, members of minority groups too have been given special attention by the Employment Service. In recent years minority group members have accounted for about 25 percent of all ES applicants and made up 27 percent of those placed in nonagricultural jobs. Last fiscal year, blacks made up 39 percent of the enrollees in manpower job training programs who were referred by the ES; those of Spanish heritage accounted for 11 percent, and Indians 2.3 percent.

For these—and for military retirees, professionals, the disadvantaged and the poor, the handicapped, the school dropout, youths and older workers—



the ES has developed special techniques to help people overcome any disadvantages and get back on the career development track.

To all, its services are free—to employer and worker alike. It is largely financed by a small tax on employer payrolls.

The ES certifies and refers nearly a half million men, women and youth a year for training in some job skill for which they have a desire and an aptitude and an ability—ranging from landscape gardener to dairy farmer to furniture upholsterer to automobile mechanic, auto body repairman, stenographer, computer programmer, bank teller, and a wide range of other occupations—in all, nearly 600 different vocational fields.

It operates a professional placement network nationwide; an engineer or other professional can walk into an ES office and make himself available to employers across the country via an interstate placement plan which matches his skills and knowledge with job openings listed by any of the 2,400 ES offices. A computer Job Bank system which now serves nearly three-fourths of the Nation's work force brings a speed to the man-and-job matching that was only dreamed about ten years ago.

ES has experimented with the movement of workers and their families, in demonstration projects, from areas in which their skills aren't needed and in which they can't find a job, to new locations where their skills are in demand.

To employers, it furnishes qualified workers, vital labor market information, and helps them cut their turnover and training costs. In changing plant processes, it helps employers identify those individuals who have the potential to be trained for new jobs.

It is used by such companies as Continental Can, RCA, American Tobacco, National Biscuit, General Electric, Campbell Soup, Armour, and Ford Motor Company, as well as by thousands of smaller plants and firms.

On the farm front, ES brings together groups of migrant farm workers, in an orderly fashion, to areas needing seasonal help to harvest crops that otherwise would be lost. For farm and agri-business employers, it performs much the same service in rural areas that it performs for business firms in the cities—the bringing together of a man who wants to work, and a job for which the employer needs a worker.

In a special service for employers and workers facing mass layoffs, the ES maintains an early warning system and moves into the picture—often

opening an office in the plant facing layoff—to register workers and find them new employment. More than 100,000 workers a year have been given assistance of this nature. It also provides counseling training and placement services to workers adversely affected and certified for assistance under the Trade Adjustment Act.

Under provisions of the Manpower Development and Training Act (MDTA), the ES refers men, women and youths to classroom and on-the-job training to learn new job skills. It certifies and refers youth to the Job Corps, and the Neighborhood Youth Corps' work-experience programs.

In the WIN (Work Incentive) program, specially assigned staff in ES offices are engaged in the task of assessing the employability of more than a million employable welfare recipients (mostly mothers) receiving Aid to Families With Dependent Children, helping to develop their employability and placing them in jobs. In the first nine months of this phase of the WIN program, 82,075 had already been placed in jobs. More than 20,000 had been enrolled in job training, preparatory to employment.

These and a score of other action manpower programs — known as Human Resources Development, Concentrated Employment Program, Operation Mainstream, New Careers, Concerted Services, manpower components of Model Cities programs, the Public Employment Program, Public Works and Economic Development, and the like—are all part of the major effort of the Government to assure every American who is willing to work the right to earn a living.

The Employment Service of today is a far cry from what it was in 1933 when it started as a simple vehicle to put unemployed to work and get them off the relief rolls. Its growth into chief supplier of manpower services has made the burden on the over-worked local offices a heavy one as well as a most serious one.

It has borne the brunt of action under the Manpower Development and Training Act of 1962, which looked to ES to help the underemployed and the unemployed who needed training to become employable. In 1964, when the Economic Opportunity Act came into being, other assignments fell to the ES, including such things as recruiting the youth to go into the Job Corps. Later, Social Security Act amendments in 1967 placed on the ES the burden of taking people off the welfare rolls and putting them into training and jobs under the WIN (Work Incentive) program.

But now and then, as the busy days unfold, comes a humorous incident that brings a chuckle and makes the day a bit lighter, such as these, for example:

. . . A discharged serviceman, seeking a job, showed his military occupational specialty as "weather observer." His name: Rainbow.

. . . A young applicant, determined to provide all the information requested and even more, filled out a space marked "For Office Use Only." Where it said "Active Dates," she noted: "Dancing."

. . . A military rehabilitant had a different problem of interpretation. While filling out a form, he was told by a job counselor to "put your John Henry on the dotted line," Doing as he was told, he signed quite plainly, "John Henry." Thereafter, the counselor simply has asked applicants to "sign your name on the dotted line, please."

Just a few old-time staffers remember the story that went around when Lefty Gomez, ace Yankee pitcher of the 1930's, came to the ES for a job when his playing days were over. Lefty filled out the required form and in the space marked "Reason for leaving last job," he wrote: "I couldn't get the side out."

Then there is the story of a man who sought the help of the Biloxi office of the Mississippi State Employment Service following Hurricane Camille in 1969. As past history, he declared that in the early 1960's his home on the Mississippi Gulf Coast had been ruined by Hurricane Betsy. Discouraged, he had moved to Minnesota. There, he encountered a tornado and discovered to his dismay that that can be as destructive as a hurricane. His home having been destroyed again, he returned to the Gulf Coast—where he ran afoul of Camille, with the usual result. His name: Edsel Hudson.

Several novel occupations have been discovered during interviews with youngsters seeking summer jobs. One 16-year-old reported that he had worked two months last summer as a "cat sitter." He earned \$1.25 an hour for the time he spent in the company of a cat that didn't like to be alone.

And an Iowa local office reported that an unemployed worker walked in and said he would like to apply for a job. He was told that it would be about 20 minutes before an interviewer could see him. Indignantly, the man declared: "Well, in that case, I think I'll just go on back to Kentucky," and strolled out.

The Employment Service as it is known today, however, came into being on a somber note with the passage of the Wagner-Peyser Act of 1933 on



June 6 of that year. The Act provided for a Federal-State system of employment offices, a "partnership" arrangement unique in American Government, to help the Nation's struggle to come out of the prolonged "Great Depression." At its birth, there were 13 million persons unemployed—one-fourth of the entire labor force.

Almost at the same time a "sister agency," the Unemployment Insurance Service, came into being under the terms of the Social Security Act of 1935. By July 1937, the 48 States, the territories of Alaska and Hawaii, and the District of Columbia had enacted separate unemployment insurance (UI) laws. No two laws were exactly alike, but all met the established standards and had the common purpose of providing a measure of income maintenance for the unemployed. Benefits were to become payable only after two years of tax collection from the employers; the insurance program was and has been entirely self-supporting from this tax.

In the earliest years, each of the two programs—Employment Service and Unemployment Insurance—was administered by a separate agency at the Federal level. The Bureau of Unemployment Compensation, under the Social Security Board, guided the UI program, while the ES program was administered by the United States Employment Service of the Department of Labor. At the State level, however, the programs were coordinated, since State UI laws required that claimants for benefits must first register for jobs with public ES offices.

During a 10-year period, administration of the programs changed several times. In 1939, the Federal functions of the Employment Service were moved from the Department of Labor and combined with those of the UI program to form the Bureau of Employment Security under the Social Security Board in the newly created Federal Security Agency.

However, in 1942, the State functions of the ES were Federalized and transferred, along with the Manpower Commission. The State UI functions remained with the State agencies, and the Federal functions with the Social Security Board. Shortly after the end of the war, the War Manpower Commission was terminated, and the ES functions in the States were returned to the administration of the States. The Federal functions again were placed in the Department of Labor, where they remained until 1948,

At that time, the ES and UI  
(See ANNIVERSARY, Page 38)

**Welcoming remarks by Secretary of Labor Peter J. Brennan before the observance of the 40th anniversary of the Wagner-Peyser Act, Washington, June 6, 1973.**

## **" . . . Responded to One Crisis After Another."**

I am delighted to welcome you to this 40th Anniversary of one of the great pieces of landmark legislation—the Wagner-Peyser Act.

Back in 1919, testifying before the Congress on an earlier effort to gain a permanent, national employment service system, William B. Wilson, our first Secretary of Labor, pointed out the following:

"Every time a workman is out of employment, whether for a short period or a long period, we are thereby reducing the aggregate of production, and it is not only an injury to the man who is out to employment, but it is an injury to the entire community because the entire community must draw upon the aggregate of production."

What we are celebrating today is the creation of an instrument of government designed to reduce those injuries to the individual and to the community from unemployment.

And we are doing more.

We are also celebrating a mechanism designed to end those injuries, not by gratifying something new and strange but by using to the fullest the great flexibility and strength produced by States and central government working together toward the same end.

And we are doing more.

Not only are we celebrating the creation of an instrument of government that helps the worker, the employer, and the community; not only are we celebrating the design of a system in accordance with the genius of the federal system; but we are also pointing to a system that has *worked*, and worked with increasing effectiveness.

During the 40-year course of the United States Employment Service, it has generated 400 million job placements, provided 48 million counseling interviews, offered 38 million aptitude and proficiency tests, and helped countless employers find the right man or woman for a particular job.

During those 40 years, the employment service responded to one crisis after another. It has accepted, and

accepted successfully, new and urgent assignments to meet changing times and emerging problems.

It began in 1933 when the sharp challenge of unprecedented labor surplus in a nation shaken by the massive unemployment of the Great Depression. In less than 10 years it was called upon to help assure the survival of freedom by solving the labor shortage problems growing out of mobilization for World War II.

Then it went on to deal successfully with the employment implications of a series of sharp recessions in the 1950's, with the cycles of war and peace stemming from two Asian conflicts, with dislocations caused by great changes in agriculture, the rise of automation, and the demand for special skills for the space program.

In the early 1960's, a whole new area of challenge and opportunity opened: helping to meet the special labor problems of those broadly designated as disadvantaged—the undereducated, the unskilled, the unready.

And, most recently, it has responded to the special job needs of veterans and to new methods designed to close the unemployment gap between the veteran and non-veteran population.

If we were meeting here today to celebrate these great accomplishments, this celebration would be more than justified.

But we are doing more than celebrating the accomplishments of the past.

This conference is designed not to look *back* at the number of challenges and accomplishments crowded into 40 years. This conference is rather designed to look *forward*, to suggest ways by which the employment service can yet be improved, to make USES an even more important, reliable, and productive instrument of the national purpose.

It is for this reason above all that I welcome you to this important celebration, and wish everyone participating in the symposia and other meetings all possible success.



# PRESIDENT SEEKS "JOB SECURITY ASSISTANCE ACT"

*A Message to Congress on Unemployment Insurance*

Difficult as it may be to live by the old saw, a sunny day remains the best time to fix a leaky roof. That is why today—with civilian employment in the American economy at an all-time record high of 83.9 million workers, with a solid business expansion continuing, and with the rate of unemployment down to 5 percent and likely to decline still further this year—I am requesting prompt action by the Congress on several reforms in our unemployment insurance system.

The principles behind my proposals were originally advanced as part of my unemployment insurance package almost four years ago. Most of that package became law in August, 1970, when I signed the far-reaching Employment Security Amendments of 1970. At that time coverage was extended to some 6 million jobs which had never before been eligible for unemployment insurance; a much-needed provision for extended benefits triggered automatically at high unemployment levels was added to the system; and basic financial and administrative improvements were effected. In all, these were the most significant improvements ever made in our system of assistance for persons between jobs since that system was established in 1935.

Left unfulfilled in the 1970 legislation, however, were several important objectives on this Administration's agenda for working Americans. The Job Security Assistance Act of 1973, which we are proposing to the Congress today, would meet those objectives by making three major changes in our unemployment insurance system:

—First, it would establish minimum benefit standards for the States, providing an adequate level of benefits to all workers who are covered by the system.

—It would also extend coverage for the first time to most farm employees.

—Finally, it would set up strong safeguards to preserve the neutrality of the unemployment insurance system during industrial disputes.

## GUARANTEEING AN ADEQUATE LEVEL OF BENEFITS

A properly designed system of unemployment insurance should serve a dual purpose—both helping to tide individual workers financially over the periods when they are without a job, and stabilizing the economy as a whole by helping make up for wage losses which would otherwise cut consumer purchasing power and accelerate business downturns.

But effective performance of both of these functions depends on the provision of benefits which are adequate in relation to a worker's usual weekly wage. It is generally accepted that unemployment benefits are inadequate unless they are equal to at least half what workers would be earning if employed. Otherwise, families relying on the benefits will too often be unable to meet their basic, non-deferrable living expenses, and communities hit by unemployment will find that aggregate benefits are too little to have a significant counter-recessionary impact.

Under present Federal law, the setting of formulas to determine minimum and maximum benefit levels is largely the province of the individual States. On paper, most States do promise the unemployed worker a benefit equal to one-half his usual weekly wage. But many of them also place unrealistically low ceilings on maximum benefit amounts, rendering the guarantee meaningless for a large percentage of workers, especially family breadwinners. In fact, more than two-fifths of all workers now covered by the unemployment insurance system find their benefits limited by State ceilings at a level *below* the half-pay ostensibly guaranteed them.

In my July, 1969, unemployment insurance reform proposals to the Congress, I asked for action by the States themselves to remedy this serious deficiency. I suggested that the maximum benefit ceiling in each State

be raised to at least two-thirds of the average wage of that State's covered workers. The goal was to provide at least four-fifths of the Nation's insured work force half-pay or better when unemployed.

While many States responded in part to this request, only four States, whose workers comprise less than 3 percent of the national covered work force, actually established the standard I had recommended. However, States comprising more than three-fifths of the national work force still have their weekly benefit ceilings that are less than half their average weekly wage levels. Without denigrating the good-faith efforts of numerous legislatures to liberalize the benefit structure, we simply cannot be content with this situation any longer. The time has come for Federal action.

My proposed Job Security Assistance Act would therefore amend the Federal Unemployment Tax Act by adding a provision that every eligible insured worker, when unemployed, must be paid a benefit equal to at least 50 percent of his average weekly wage, up to a State maximum which shall be at least two-thirds of the average weekly wage of covered workers in the State.

The decentralization of our national unemployment insurance system is one of its greatest strengths. This decentralization permits more flexible adjustment to local needs and circumstances, and I believe that it should be preserved. I also believe, however, that the States have a responsibility to adhere to the basic principles of the system, and that it is up to the Federal Government to furnish such standards and guidelines as may be necessary to protect those principles. That is why I am now submitting to the Congress the same benefit reform recommendation that I urged the States to adopt in 1969.

Estimates indicate that this new requirement would result in an average increase of 15 percent in costs to State pooled unemployment

**Reprinted here is President Nixon's message to Congress in April in which he requests enactment of the "Job Security Assistance Act of 1973." If enacted the new law would require changes within North Carolina's Employment Security Law, notably the entitlement of unemployment insurance benefits to certain farm workers and an increased level of weekly benefit amounts . . . EDITOR**



insurance funds, which would, in turn, affect the costs of employers whose taxes support our unemployment compensation programs. To put this increase in perspective, however, we should note that unemployment insurance is one of the least expensive of all fringe benefits related to employment—accounting for less than a penny in each payroll dollar. Considering the enormous importance of this protection to unemployed workers and to economic stability in general, the relatively small cost of keeping it adequate and up to date is a very sound investment.

When the new Federal benefit standard goes into effect, our unemployment insurance system would begin delivering on its promise to working Americans in a way it has never delivered before. The special programs which in the past have substituted for inadequate State unemployment benefit payments—such as the special allowances provided under the Trade Expansion Act of 1962 for workers who lose their jobs because of foreign imports—would become unnecessary as unemployment benefits are raised to fairer levels.

Upon passage of the unemployment insurance reforms proposed today and of the trade proposals which I outlined to the Congress earlier this week, trade adjustment assistance would be gradually phased out and replaced with a temporary program of Federal supplements to bring up to an adequate level the State unemployment benefits for workers displaced by import trade. When State unemployment payments come up to the half-pay minimum I am seeking, the Federal supplement payments would be discontinued, since all workers would then be eligible under the liberalized State laws for benefits that are reasonably adequate in amount. Some would even be eligible for larger weekly benefits than they can now receive under the Trade Expansion Act adjustment assistance program.

The Job Security Assistance Act would thus make unemployment insurance protection more equitable for everyone, by assisting all workers evenhandedly regardless of the reason for their loss of job. Unemployment is just as costly to an individual and his family whether it results from trade, environmental constraints, fluctuations in government procurement, declines in business activity, or any other cause. The effect of my proposals would be to remove arbitrary distinctions among such causes in protecting workers who are involuntarily out of work.

## UNEMPLOYMENT PROTECTION FOR THE FARMWORKER

Agriculture is America's oldest and largest industry—and increasingly it truly is an industry, not just an individual enterprise. A growing percentage of the people engaged in farming no longer are their own bosses but work as someone else's employees. Most of these employees earn relatively low wages, have only precarious job security, and have no termination pay coming if they are laid off. Many are members of disadvantaged minority groups.

For all of these reasons, I consider it of urgent importance that we act at once to extend unemployment insurance coverage to as many agricultural employees as can feasibly be accommodated in the system.

Farmworkers were originally denied unemployment insurance protection on the ground that it was not administratively feasible to cover many thousands of family-operated farms which kept no payroll records. This objection has since been disproved, however, by the successful extension of income and Social Security taxes to a large number of such enterprises.

In 1970 the Congress postponed action on my recommendations for extending coverage to agricultural labor, directing instead that a study be undertaken by the Department of Labor in cooperation with land-grant universities and State employment security agencies, and the results are now in. They conclusively demonstrate the administrative and financial feasibility of extending unemployment insurance coverage to approximately 66,000 agricultural enterprises employing some 635,000 agricultural workers.

Accordingly, the Job Security Assistance Act which I am recommending to the Congress would modify the present agricultural labor exclusion provisions of the Federal Unemployment Tax Act, bringing under the unemployment system any farm operator who employs four or more workers in each of 20 weeks in a calendar year or who pays wages for agricultural labor of at least \$5,000 in a calendar quarter. The change would take effect on January 1, 1975, thus allowing State legislatures time to make necessary adjustments in their unemployment compensation laws.

The criterion of payroll size was not included in my 1969 farm coverage proposal. Adding this test strengthens the bill by substantially increasing the number of farm jobs affected. The new

bill also includes safeguards to help ensure that migrant workers—who especially need unemployment protection—will not be disqualified because of special problems associated with record-keeping and tax collection in migrant employment.

The coverage definition I am proposing would provide needed protection to the employees of larger agricultural businesses without needlessly adding to the difficulties of small farm operations. It would achieve coverage for about two-thirds of all hired farm workers while affecting fewer than one in 14 farm employers.

In most States, coverage of the larger agricultural enterprises would be self-financing, with the contributions of these concerns meeting the full cost of benefit payments to their workers who become unemployed. Net increases in benefit costs to State pooled funds should be zero in most cases and negligible in all but two States. Even in these two instances, the net increases would amount to only 20 cents or less per \$100 of taxable wages.

I know that many in the Congress share my concern that agricultural employees are too frequently excluded from the rights and protections afforded to workers in other industries, and I hope for prompt Congressional approval of this proposal so that we can begin rectifying the injustice. We cannot in good conscience defer this action any longer.

## MAINTAINING NEUTRALITY IN INDUSTRIAL DISPUTES

As we move to establish a uniform Federal standard that would ensure adequate State benefit levels, we must also insist on strong safeguards to preserve the neutrality of the unemployment insurance system in industrial disputes. The unemployment tax which an employer is required to pay was never intended to supplement strike funds of those engaged in a dispute with the same employer. Neither, on the other hand, was the income protection which unemployed workers are guaranteed under the insurance system intended to be interrupted when an innocent bystander is put out of work by someone else's dispute.

I therefore propose that the Federal Unemployment Tax Act be amended to prohibit both the payment of unemployment insurance benefits to strikers

(See PRESIDENT, Page 38)



## BANK

(Continued from Page 17)

already started two rather revolutionary twists to the job bank system which will substantially increase our volume of work per interviewer. First, completion of the myriad special job bank forms can be reduced if not eliminated by keying directly from basic documents and computer printouts. This is in successful operation in Wilmington and not only saves time because we do not have to complete special forms but also eliminates copying errors which would have been made in doing so. Second, some job listings can be printed without revealing the employer and released to applicants for self service. This use of job bank information has been tried extensively in other states and to a limited extent in North Carolina. The results uniformly show that many applicants can eliminate the need for extensive search and reduce the time of an interview to that required to discuss one or two specific jobs and to arrange appointments.

The job bank concept will require time to become as comfortably familiar as the order box system has been. The transition is not expected to occur without effort. The results are expected to be worthwhile.

## SUCCESS

(Continued from Page 24)

payments when she entered the WIN program.

Her previous work experience consisted of about two years, including waitress work at \$1.00 an hour and work as a salad girl at \$85 a week.

Unemployed, Mrs. "Z" entered the WIN program in March, 1972, and was provided the standard WIN manpower services. In addition, day care for her children was arranged by the county Department of Social Services. A review of her interests and abilities indicated a need for her high school graduate equivalency. She attended the local technical institute's adult basic educational course for three months, obtaining her high school graduate equivalency certificate in May, 1971. She then attended a one-year electrical drafting course at the technical institute and completed the course in August, 1972.

Mrs. "Z" began employment as a draftsman at \$400 a month in October, 1972, and her welfare grant was terminated effective January, 1973.

## EXTENDED

(Continued from Page 19)

coverage added over 2,500 reporting units to this group which employ about 4,500 workers with annual earnings of over \$20 million. Although the number of reporting units increased 82 percent, the gains made in employment and wages were only about seven and four percent, respectively.

Next in order of importance (numerically) is the Manufacturing group which has expanded by about 1,100 reporting units, 4,000 employment, and about \$20 million in wages. It is not surprising that this group added so few workers since manufacturing has always required a larger number of workers in order to man the various processes and to attain the required volume of production necessary for successful operation. Nevertheless, the expansion increased the number of reporting units by a significant 15.6 percent, but employment and wages were held to gains of about one-half of 1 percent.

The two remaining groups, Transportation, Communication and Utilities and the Other (Agricultural Services, Forestry, Fishing and Mining) group, added a small number of workers although some of the percentage gains over the former coverage were significant. The Utilities group added 674 new establishments (35 percent gain), employing about 1,575 workers and earning about \$7 million annually. The All Other group added 400 reporting units, which raised the units in this group by a significant 93.5 percent, but the gains in employment and wages were close to 10 percent.

## TECHNICAL

(Continued from Page 6)

training and education required for job performance. The analysts are visiting representative employers who products or services suggest they might have a number of jobs in this category. With the cooperation of numerous employers the analysts are observing jobs in plants, writing job descriptions, and indicating physical demands, working conditions, aptitudes, educational levels, and training time required.

On the basis of a pilot study, the Employment Security Commission has received a contract to continue this project through 1974. Aside from a copy of the information compiled in his plant or office, the participating em-

ployer has no reward beyond that of providing a service to Social Security and to citizens whose health has prevented continuing in their usual employment. Fortunately, this reward is sufficient to induce a large number of companies to give their cooperation and the time of their personnel to assist in plant tours and to provide the necessary information. As a result, thousands of handicapped people may be enabled to return to light work, and a considerable saving of tax dollars may be effected.

The services discussed in this article are available to employers at no cost other than the expense of typing and reproducing material in some cases.

Employers may contact any ESC local office or the Central Office to arrange for contact with a Technical Services representative.

## COMMERCE

(Continued from Page 4)

year, requests for \$115 million additional charges for electric, telephone, natural gas, water and sewer, and motor freight were filed with the Commission. The Commission has jurisdiction over 44 electric companies, 29 telephone companies, 13 natural gas companies, 300 water and sewer companies, 53 passenger carriers, 640 freight carriers, and 23 railroads. The present Commission evolved from the Railroad Commission which was created by the General Assembly in 1891. The Commission is faced with many aspects of the current energy crisis, best illustrated by projections of the two largest electric companies which expect a doubling of the present demand for electric power in the next six to seven years. The 1973, General Assembly has granted additional funds to the Commission for hiring immediately approximately 20 new personnel to enable the Commission to keep pace with its responsibilities.

Offices of the Department of Commerce are located at 417 North Boylan Avenue, where an administrative section of eight is responsible for budgeting, purchasing, and personnel matters for the Department. Under the 1971 Reorganization Act, the Department is also responsible for organizing, planning, staffing, directing, and reporting. The Department prepares both an Annual Report covering programs and activities for the Governor and the Advisory Budget Commission, and an Annual Plan of Work prior to the beginning of each fiscal year.



# COMPUTER TECHNOLOGY COMES TO ESC

By JOE ELLIOTT  
Computer System Manager

Due to the very nature of the operations of the Employment Security Program, processing of data has been a significant element of the Employment Security Commission's work since the inception of publicly provided employment services and unemployment insurance activities.

The term "data processing" was not used to describe the clerical activities of reporting and maintaining information concerning job applicants, job openings, claimants for unemployment insurance (called unemployment compensation in those early days), or the statistical information pertaining to all of these. Creating, maintaining, and making use of informational files, whether recorded on slips of paper, index cards, in loose-leaf binders, or in any other medium, is, in fact, data processing. In our earliest days, most of this data processing was done coincidentally to other tasks performed by Employment Interviewers, Claims Takers, Claims Examiners, and Statisticians. As this Agency's services to applicants and employers increased and as economic conditions improved following the years of great depression, and the coverage of unemployment insurance was extended to new businesses, files of information grew at a rapid pace, as did the uses to which the files of information were put.

Twenty-five to thirty years ago in North Carolina, commuting patterns encompassed smaller geographical areas than they do today, and this agency's local offices were almost exclusively "local" in the scope of their services. While information or data that was being accumulated in our Employment Service operations was increasing in volume, it was still used, almost exclusively, at the local level.

Computation of unemployment insurance benefit entitlement was, however, a centralized operation for the entire State, with all benefit amounts being computed in Raleigh. It was, even in those days with hundreds of thousands of workers' wage earnings records to be maintained, an impossible task to clerically perform all of the data processing activities necessary to successfully administer the Benefit Payment Program which was the responsibility of this agency.

Modern business machines of the day were used to maintain tax accounting information files. Wage earnings information was key punched into tabulating cards when this agency received earnings reports from employers. Using the Social Security Number assigned to each wage earner, which was also punched into the tabulating card, we then used mechanical collating machines to establish a file of tabulating cards which we called our base period wage file. This file was accessed clerically when our Central office received new claims for unemployment insurance. In this way we were fairly quickly able to determine, for any new claimant, the amount of wages which had been reported in an earlier period of time. In this way we were able to administer the Employment Security Law which stipulated the eligibility amounts for benefits based on the earnings by the individual during the period of time in which they had been employed.

For many years this system was adequate. Each quarter we added new wages and deleted wage cards which represented earnings in quarters which were outside the then current base period. As our workload increased due to economic growth and changes in the legal definition of covered employment, we would handle that increased workload by adding additional tabulat-

ing equipment and personnel to operate those machines. During the 1960's it became apparent, however, that this system could not forever be expanded. Even though a tabulating card is relatively small, the space required to store millions of them can become significant. The machines which we had considered to be fast a few years earlier were simply not capable of handling the volumes that we were encountering. This agency was no longer dealing with thousands of liable employers, but with tens of thousands and wage earners' records which were growing at a fast pace with the maturity of the post World War II population explosion.

The only reasonable solution to the data explosion which we were encountering was electronic data processing equipment.

Data processing was old hat to the Employment Security Commission; computers were not. Computers had been developed a number of years earlier. The first ones used electronic vacuum tubes similar to those which had been used in radios for many years. These were devices of magnificent ability when compared to the tabulating equipment which this agency had been using, but these first computers, now called first generation computers, were unbelievably expensive devices. They occupied large



**Restyne Wilkinson, data processing manager, mounts a reel of magnetic tape on a 3M 2401 tape drive, while computer operator Larry Strickland [right] changes a disc pack.**



amounts of space and required almost constant attention by a technician to maintain the device as well as operators to process the data. Most of these early computers were used only in scientific applications and the Employment Security Commission never had serious reasons to consider the use of such devices in its operations.

Technological advances in the computer industry brought about what was then known as the second generation of computers. These computers were faster, more versatile and less costly than first generation computers and because they used transistor circuitry they were smaller. Some state employment security agencies were beginning to use computers with the widespread availability of second generation computers, and the Employment Security Commission in North Carolina began to consider computerization as a possible means of helping human beings to administer the employment security program.

It was determined during the age of the second generation computer that the time was still not right for this State's Employment Security agency to acquire computer facilities. This did not mean that the officials in this State felt that the decisions of those employment security agencies who did choose to use computers were in error. This was simply based on the fact that the Employment Security Laws of no two states are identical. Neither are the workloads and procedural methods by which the various states attempt to accomplish the same basic goals.

Near the end of the 1960's it was apparent that the time had come. Workload volumes were increasing at a



**Data processors Valeria Harper and Lois Hagwood operate a tape cleaning unit in the ESC tape library. Approximately 2,500 tapes are maintained in the library.**

rapid rate. Projections for future workloads pointed upward. Third generation computers with advanced technology, further miniaturization and faster speeds were on the market. After a vast amount of personnel time was spent in study, planning, analyzing, and searching for improved methods and approaches, specifications for a computer system were adopted. Building alterations to accommodate the new equipment were undertaken and through a competitive bid process, a supplier of third generation computer equipment was made. At the same time an intensified training program was undertaken to retrain personnel selected from the agency's existing staff to provide us with the expertise needed in a new under-

taking without displacing employees.

In the spring of 1970 our computer equipment was delivered and immediately after its installation we began running conversion programs which had been written by our staff members while we were awaiting the delivery of the devices that comprised the computer configuration.

One of our first undertakings was to transform our base period wage file from tabulating cards to magnetically encoded computer readable data. At the time of the installation of the computer we had in excess of 8 million tabulating cards in this one file. Compared to some of the jobs that we have since undertaken, this card-to-tape conversion now seems rather simple. However, at the time, with our inexperience, it seemed like an overwhelming task. The new concepts which we were encountering in data processing were not always easy to grasp. We had been conditioned through years of experience to consider fast a machine which could operate at the rate of hundreds of cards per minute. Now we were working with equipment which could concurrently perform multiple jobs, each job handling thousands of records per second.

Our first major applications to be computerized were Unemployment Insurance Activities and an Employment Service local office automated reporting system, which was the first major step toward centralizing the processing of data created at our local office level. These major application areas were closely followed by the implementation of a cost accounting system and the conversion of several



**Virginia Jones, computer operator, prepares job control cards to initiate a computer program [left] and Grace Smith, data processor, duplicates job bank microfiche cards for transmittal to local State Employment offices.**



statistical application areas for the Commission's Research Department.

For those of us who had felt in 1970 that we had reached the great plateau of data processing capability that would last us for many years, a rude awakening was quickly thrust upon us. In addition to converting to computer programs our data processing applications which had been in existence for many years, our various operating departments had many requests for new and additional reports of types that were previously not feasible with the limited equipment which we had. We also found that our data processing services were being required to produce reports of various types for the Manpower Administration of the United States Department of Labor. Within a 12-month period the number of employers subject to the reporting requirements of the Employment Security Law more than doubled. There are now approximately 90,000 employers subject to the law, each of whom files quarterly tax and wage reports to this agency. Our wage record base period file now contains six quarters of information for each of more than 2,500,000 individual wage earners in this state. With these volumes, we found that we had to keep our computer equipment running 24 hours a day. Even with around-the-clock computer operations, there were many application areas which we had inadequate capacity to implement. In an attempt to satisfy our need for additional information, we had to supplement our original configuration with additional components to increase throughput speed which would effectively allow us to perform more work within our data processing facilities.

Over the years our Employment

Service local offices changed to meet the demands of a more mobile society that was developing. No longer is a job seeker always restricted to seeking work within his own neighborhood. Most employers do not restrict their recruiting efforts to residents in a very close proximity to the place of employment. In order to better serve employers and the job seeking public, our local offices need a quick and accurate method of transmitting job opening data and information concerning applicants' characteristics between offices. Computer technology of today has stepped in to assist our Employment Service personnel in their dedicated attempt to better serve the citizens and businesses of this state.

The combined efforts of people and electronics toward this end is known as Job Bank. Through the computerized Job Bank System, information concerning job openings is transformed from humanly readable form into machine readable form with the use of key-to-magnetic tape machines. This information now called "data" is transmitted over telephone lines at the end of each working day to the computer center. These new job openings data records, along with other data records such as information concerning jobs that have been filled or data concerning changes to previously recorded job openings are posted to the Master File. Overnight, the computer system prints master lists for control center personnel in each geographical area of the State. This listing contains all of the job openings within that Job Bank area, each classified by type of work. At the same time additional equipment produces images of the same information in microfilm medium which can be used by interviewers in each local office in the State, so that each day an



**Data processing manager Vernon Porterfield, at the consold, operates the IBM system 360 computer.**

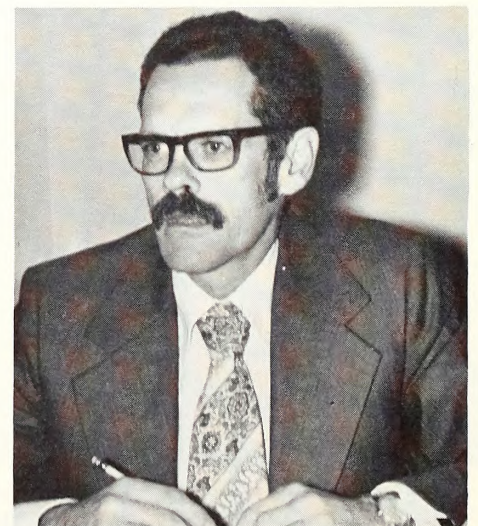
up-to-date total listing of job openings by geographical area are available for viewing on special viewers located on our local offices.

Computerized job banks in North Carolina and other states have helped us to help others, but we fully realize that we have not attained the greatest possible use of computer technology in assisting in the job placement process. We are no longer deluded into feeling that we have reached the ultimate in data processing capability. Having had a glimpse of what computerization can do as far as expanding data processing capabilities, our eyes are now opened to new horizons.

We are now looking forward to more sophisticated uses of computer technology. We believe that it is technologically feasible within a few years to have fully developed job matching systems in which a computer can compare job applicant characteristics and job opening requirements at electronic speed to produce the best matches of job seekers and job openings.



**Computer systems analyst Ned Totman and Lorene Guill, data processing manager, mount magnetic tape on a CIM unit to produce original microfische.**



**ELLIOTT**



# ESC Field Center One of Nation's Major Job Analyzers

By ROY E. MERRILL, JR.  
Occupational Analyst

The North Carolina Occupational Analysis Field Center was created in June of 1959 under the auspices of the Manpower Administration (then called the U.S. Employment Service) of the U.S. Department of Labor. It is the largest of eight field centers nationwide, the others being located in California, Washington, Michigan, Wisconsin, Missouri, New York, and Florida. North Carolina was chosen because of its diversified industry and because of its geographic location on the eastern seaboard. The Field Center is staffed by 12 Occupational Analysts, 3 supervising analysts, and by Clarence C. Bass, Industrial Services Supervisor, who has overall supervision. In addition, the Field Center has a clerical staff of six, supervised by Mary Neal Bobbitt. Personnel assigned to the Field Center are administratively responsible to the North Carolina Employment Security Commission, but receive their assignments from and are technically responsible to the Division of Occupational Analysis and Career Information of the Manpower Administration.

The Field Center's reason for being can be traced to a two-volume set of reference books, the *Dictionary of Occupational Titles*. This dictionary, which defines jobs rather than words, was originally compiled in 1939 by the U.S. Employment Service to provide descriptive information on jobs in the American economy for use by the public employment offices. A second edition was published in 1949 and a supplement to that edition was published in 1955. However, most of the information published in the 1949 edition and the 1955 supplement was based on data collected prior to 1940. It soon became evident that the vast economic expansions and technological changes in the post-war years had made much of the second edition and supplement either obsolete or lacking in relevant information. Technological changes had created new jobs and phased out others. Tasks of existing jobs in the second edition had changed or had been combined with the tasks of other jobs. It also became evident that

the mechanics of collecting, analyzing, and disseminating job information were too voluminous to be handled entirely by the bureau in Washington. The Field Centers were then created for the purpose of collecting and analyzing data used in the preparation of the third edition of the D.O.T.

In the period between 1959 and 1965 (publication date of the third edition), the North Carolina Field Center visited 412 firms in 26 industries for the purpose of conducting job analysis studies. Descriptions of approximately 4,000 positions analyzed were sent to the national office for incorporation in the third edition.

There are over 35,000 titles defined in the third edition, but coverage is not complete nor completely up to date since jobs and job requirements are continuously changing. After the publication of the third edition in 1965, plans were initiated immediately to collect data for a fourth edition of the D.O.T. There were to be some changes: (1) this was to be a more comprehensive undertaking in that complete plant studies were to be made, i.e., all jobs in a plant chosen for study were to be analyzed and complete job analysis schedules prepared as if they were new jobs; (2) the Field Centers themselves would be responsible for developing the final product rather than the national office.

The North Carolina Field Center was assigned 33 industries for study. Most of the assigned industries are familiar ones, such as agriculture, furniture, hosiery, textiles, and tobacco. Other groups are less familiar, such as artificial flowers, broom, clock and watch, cooperage, insecticides, mining and quarrying, mirror, transportation equipment, turpentine and rosin, and waste and batting. Occupational Analysts assigned to the Field Center are expected to keep occupational data from these industries up to date on a continuing basis. This means that plants chosen for study must be revisited periodically in order to keep abreast of technological changes and plant expansions that may change job information. As of May 1973, analysts



MERRILL

from the Field Center have visited or revisited 634 firms for the purpose of conducting job analysis studies. Approximately 8,000 jobs have been analyzed and job analysis schedules prepared to be considered for inclusion in the fourth edition of the D.O.T.

What constitutes a job analysis study? The analyst must first familiarize himself with the industry to be studied, using periodicals published by the industry and other technical literature on industrial processes. The analyst must then gain the approval and cooperation of the employer. Appointments are set up with the employer by the nearest ESC local office. While most employers are cooperative, participation is on a strictly voluntary basis; and the analyst must convince the employer that the study will be of some benefit to him and his establishment. Having gained the employer's approval, the analyst begins what are called "observation-interviews." The analyst observes the worker, noting completely the tasks he is performing, and how and why he is performing them. If these points are not readily observable, the analyst must question either the worker or his immediate supervisor. The analyst then takes note of and describes the machines, tools, equipment, and work aids used on the job. He appraises the potentially hazardous working conditions and determines the physical demands of the job.

He determines, by questioning supervisory personnel, the amount of education and average training time needed in order to perform the work in an acceptable manner. Raw data collected is then evaluated against technical criteria to establish ratings for temperaments, aptitudes, and interests required to perform the job. The analyst then develops a complete job analysis study which contains a narrative description of the plant and its processes, a staffing schedule of all



jobs in the plant, an organization chart depicting career lattices, a process flow chart, a glossary of industry-related terms, and a descriptive analysis of each job observed in the plant, incorporating the information gathered in the observation-interview. A copy of the completed study is sent to the national office, and a description of each job observed in the plant is sent to the employer and the ESC local office involved at the employer's request. Copies of the completed study are also made available to the employer at his request, in which case pertinent information in the study is explained and discussed with him.

In addition to its data-collecting-and-analyzing responsibility, the North Carolina Field Center has also been assigned the responsibility for preparing Volume I of the fourth edition of the D.O.T. for publication. Field Center analysts develop what are called "composite definitions" for the fourth edition. A job definition you read in the D.O.T. is rarely based on one observation. It is written in most cases from observations in more than

one plant. In other words, it is a "composite" of several observations. A "job analysis schedule" is prepared for each observation, based on information collected in the observation-interview. A copy of each schedule prepared by the eight field centers is filed by its occupational group arrangement (designated by the first three digits of a job's D.O.T. code, such as 001. Architectural occupations) in the master file located in the North Carolina Field Center.

How is a composite definition prepared? Field Center analysts are given assignments by Occupational Group Arrangement (OGA). The analyst first reads and examines the ratings of each schedule within the OGA to determine if the job has been classified properly. Those improperly classified are set aside for transfer to their proper OGA in the master file. The analyst then examines those schedules properly classified within his OGA to establish each job's level of complexity in relation to data, people, and things (represented by the last three digits of the D.O.T. code). Those

jobs with identical levels of complexity and having essentially the same tasks and mental and physical requirements are batched together for the purpose of preparing composite definitions. The analyst then matches jobs to an existing D.O.T. definition and prepares a revised definition based on changes or additions to job tasks, or prepares a new definition when the schedules examined cannot be matched to an existing job definition. The analyst also assigns "composite" ratings for educational requirements, training time, physical demands, environmental conditions, and interest, temperament, and aptitude requirements to each composite definition.

To date the North Carolina Field Center has completed some 4,500 composite definitions for inclusion in the fourth edition of the D.O.T. The fourth edition is scheduled for publication in 1976.

During the past four years the North Carolina Field Center has also become deeply involved in the training of Employment Service personnel in North Carolina and other states. The Field Center is responsible for all training in the concepts and practical application of job analysis techniques conducted for personnel in Regions IV—Atlanta (North Carolina, Tennessee, Kentucky, South Carolina, Georgia, Alabama, and Mississippi), VI—Dallas (Arkansas, Louisiana, Oklahoma, Texas, and New Mexico); and III—Philadelphia (Pennsylvania, Delaware, New Jersey, West Virginia, Virginia, and Maryland). In addition the Field Center is responsible for providing technical assistance to these states at their request. The field Center regularly schedules four two-week training seminars yearly, but conducts additional seminars as requested by the national or regional Labor Department Offices. Since job analysis is the basis for the D.O.T., job restructuring, vocational counseling, occupational information, and test development, seminars are usually composed of a variety of personnel in a variety of classifications, from interviewers in local offices to program directors in state offices. Recently the Field Center has begun to train personnel outside Employment Service agencies, such as Social Security, Vocational Rehabilitation, and Department of Defense Project Transition personnel.

The Field Center has also been called upon to render technical assistance in a variety of areas. The national office has



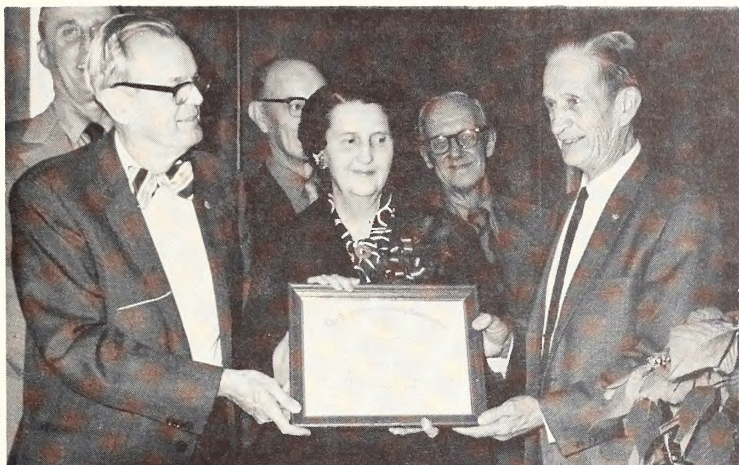
**The occupational analyst examines jobs at the work site, illustrated here by Roy Merrill. Margeret Stansbury is the duplicating machine operator.**

(See ANALYST, Page 38)



# AWARDS . . . HONORS . . . et cetera

ESC Employees receive plaques, awards, oaths, citations, certificates, commendations, and scrambled eggs . . .



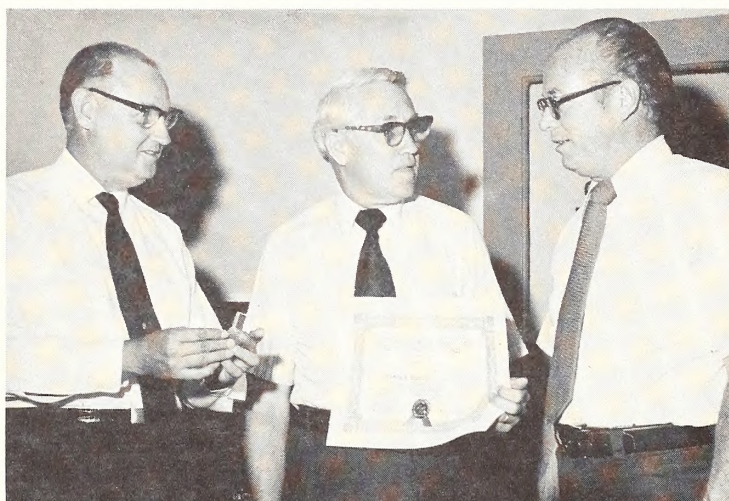
Industrial services supervisor Charles C. Love [right] receives his retirement certificate from Chairman Henry Kendall as Mrs. Love, John Fleming, Alden Honeycutt and Joe Beach watch the ceremony.



Systems and procedures analysts Alvis Jordan receives her 20-year service certificate from ES Director John Fleming.



Clerk Estella Hoffman receives her 20-year service certificate from Contribution Audit supervisor John E. Allen.



Claims examiner Franklin Upchurch [center] receives his 20-year service certificate from Chief of Benefits Ted Whitley and claims deputy Marvin Jones.



At the end of his term Governor Bob Scott receives a report on veterans employment activity from Jack Bass [right] of Charlotte and ES Director John Fleming, and Asst. VES Director Lawrence Britt.





ESC Chairman Henry E. Kendall receives the N.C. Citizens Association's annual Distinguished Public Service award [left] from J. H. Cannon. He receives the Governor's Committee on Employment of the Handicapped's first Public Service award [right] from Senator Ralph Scott.



Rural Manpower supervisor Tom Adams [left] receives a citation from Charles Daly of the President's Jobs for Veterans Committee on behalf of outstanding services to veterans from the Rural Manpower division of the ESC.



In Mt. Airy, John Taylor retired after many years as manager of the local ESC office there and received his retirement certificate from Area Supervisor Don Hudson [left]. Area Supervisor Phil Penland presents Mation ESC office manager David Gray his 30-year certificate [right] while Asst. Employment Service Director Edson Bates extends congratulations.



After 28 years with the State, Claims Deputy Walter Hethcox [left] receives his retirement certificate from Chief of Benefits Ted Whitley. In the right photograph, new officials of the State chapter of the International Association of Personnel in Employment Security receive their oath of office at the group's annual institute in Chapel Hill.





Concord employment office manager Lewis Morton stirs up a batch of scrambled eggs the morning of a managers' meeting in his area. The group holds its annual day long session at one of the managers' lodges.

Nearly 20 members of the North Carolina chapter attended the annual convention of the International Association of Personnel in Employment Security held in June in Portland, Oregon. Here's our bunch, ready for the big election.



Fay Womble [center photo] receives her 20 year service certificate from Burlington manager Everett McNeilly and Area Supervisor Jim Filipski. Veterans Employment Representative George Wester [above] received a certificate of outstanding services to veterans from the International Association of Personnel in Employment Security. Secretary of Commerce Tenney Deane, ESC Chairman Henry E. Kendall and Human Resources Department Secretary David Flaherty cut the ribbon opening a ramp for Joyce Lowdermilk in front of the ESC central office. Construction of the ramp makes the building easily accessible to handicapped persons.





## VER

(Continued from Page 11)

veteran has become the responsibility of the local veterans representative in each Employment Security Commission office. In early 1972, the activity of involvement in public communications for veterans was limited to about 75 radio stations, 3 television stations and 23 newspapers.

One year later over 200 radio stations, 15 television stations, and 81 newspapers cooperate in veterans news and opportunities. Public and community contacts where information and programs are discussed have tripled in the same period. This increased activity has developed an awareness with the citizens of North Carolina and has improved the working relationship of public communication facilities.

Some of the most effective methods of cooperative development with the community are Job Fairs, Veteran Days, and Veteran Appreciation Days, or Information Days sponsored by the local organizations. Each organization feels a responsibility and moral obligation to community veterans who need help and support of friends.

The task of service to veterans and the significant accomplishments in creation of proper base of understanding for the veterans of North Carolina still remain at the lowest levels and success or failure of this service lies squarely on the local veteran employment representative.

## RELATIONS

(Continued from Page 13)

The Employment Security Commission of North Carolina is people—people helping people. People need jobs. Jobs need people. Helping bring people and jobs together is the primary purpose of the Employment Service. This responsibility is accepted as a challenge and an opportunity to achieve some of the highest satisfactions known to man—that of helping a fellow man. And the key to success is meeting this challenge in effective employer relations.

## ANALYST

(Continued from Page 32)

given the North Carolina Field Center the responsibility of processing occupational code requests from all 50 states. This involves assigning a job title, industry designation, and six-digit D.O.T. code to each request

within 24 hours and returning them to the national office. Other forms of technical assistance might involve lecturing a guidance and counseling graduate class at N.C. State, assisting a department head at N.C. A&T to identify jobs in environmental control, converting U.S. Bureau of the Census job titles to D.O.T. classifications, and substituting titles in the D.O.T. that discriminate against age or sex (FOREMAN, BUSBOY, SALAD GIRL, etc.) with non-discriminatory titles. Field Center analysts also develop career information booklets in selected industries to be used in counseling new-entrant employees in career selection. At present analysts are developing booklets for the hosiery and furniture industries.

The latest development at the Field Center is not a reality as yet. Sometime around the first of July two input desk terminals connected to the main computer in Washington will be installed. It is anticipated that these terminals will facilitate the processing of data for the national office. This will also eliminate much of the typing involved in preparing the many forms used at the Field Center, and provide more time for the clerical unit to perform the more technical tasks of their jobs.

## ANNIVERSARY

(Continued from Page 26)

programs were recombined—this time under the Social Security Administration in the Federal Security Agency. A year later, the entire Bureau of Employment Security was moved to the Department of Labor. The Bureau was absorbed in 1968 by the Manpower Administration.

More than 65 million persons are now covered by the unemployment insurance program, which last year paid benefits totaling \$6 billion to some six million claimants who were temporarily unemployed. Since its inception, the UI program has paid more than \$50 billion to jobless workers in this self-supporting insurance system.

## PRESIDENT

(Continued from Page 28)

and the practice of denying benefits to nonstrikers. A gray area does exist between the clear-cut extremes of strike participation and non-participation, where complex definitional prob-

lems can arise. Resolution of these problems can properly be left to the judgement of individual States. But to deal with the clear cases, it is appropriate for the Federal Government to set a uniform standard on which each State can elaborate. This the Job Security Assistance Act would do.

Our unemployment insurance system puts some of America's finest principles into action—including those of prudent provision during times of affluence for times of need; effective compassion for our fellow citizens; creative partnership between the Federal Government and the States; and supportive action by the public sector to help keep our private enterprise system stable, healthy, just, and humane.

The Congress can significantly improve the system's fidelity to each of these guiding principles by enacting the proposed Job Security Assistance Act of 1973. This legislation would bring genuine improvement in the lives of millions of those people on whom the Nation depends most heavily—our working men and women.

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**EMPLOYMENT SECURITY COMMISSION OFFICES, ADDRESSES, MANAGERS, POINTS SERVED**

**Note: Pt. or Pts. means point or points served on regular schedule from local office.**

**Ahoskie** — 107 N. Railroad St., Guerry Goode, Mgr., Pts. Gatesville, Murfreesboro.

**Albemarle**—117 West North St., Claude C. Whitley, Manager, Pt. Mount Gilead.

**Asheboro** — 328 Sunset Ave., John B. Brooks, Manager, Pt. Siler City.

**Asheville**—48 Grove St., Charles Erwin, Jr., Manager, Pt. Marshall.

**Boone** — Watauga Court House, James A. Moten, Mgr., Pt. Jefferson, Newland.

**Bryson City** — Mitchell Building, Everett Street, Ed Guy, Manager, Pts. Franklin, Cherokee.

**Burlington** — 336 W. Front St., Everett McNeilly, Manager, Pt. Yanceyville.

**Charlotte** — 112 W. First St., Dwight M. Leonard, Jr., Manager, Pt. Cornelius.

**Concord** — 52 McCachern Blvd., Lewis B. Morton, Manager.

**Durham**—516 N. Mangum St., Louis Berini, Manager, Pts. Chapel Hill, Hillsborough.

**Eden** — 338 W. Stadium Drive, Daniel M. Spence, Manager, Pt. Mayodan.

**Edenton**—709 N. Broad, Mrs. Alice Bond, Mgr., Pts. Hertford, Columbia.

**Elizabeth City** — 201 W. Ehringhaus St., Norman L. Pendleton, Manager, Pts. Manteo, Hatteras, Buxton, Ocracoke.

**Fayetteville** — 414 Ray Ave., Charles Burgess, Manager, Pts. Lillington, Raeford.

**Forest City** — 104 Yarboro St., George H. Ashley, Manager.

**Gastonia**—111 E. 3rd Street, Carl B. Harrelson, Jr., Manager, Pt. Belmont.

**Goldsboro**—109 W. Ashe St., Mrs. Viola G. Billings, Manager, Pt. Mount Olive.

**Greensboro** — 235-237 N. Edgeworth St., Melvin Starnes, Manager.

**Greenville**—1002 Evans St., James Hannan, Manager, Pt. Farmville.

**Henderson** — 212 Arch Street, W. Hall Brooks, Manager, Pt. Warrenton.

**Hendersonville**—141-6th Ave., E., John E. Murdock, Jr., Manager, Pts. Columbus, Brevard, Oxford.

**Hickory**—716-4th St., S.W., Neil McKinney, Manager.

**High Point**—121 S. Hamilton St., William A. Hollar, Manager.

**Jacksonville** — 822 New Bridge St., Duke Amerson, Manager.

**Kannapolis** — 212-B Oake Ave., Bobby Overcash, Manager.

**Kenansville**—Old Welfare Bldg., Seminary St., Elizabeth Grant, Manager.

**Kinston** — 106 N. Independent St., Rupert Cheek, Manager, Pt. Snow Hill.

**Lenoir**—509 Harper Ave., S.W., Mrs. Betty Allen, Manager.

**Lexington** — 102 W. First Ave., W. Alan Knight, Manager, Pt. Denton.

**Lincolnton** — 409 E. Main St., Paul H. Lawing, Manager, Pt. Cherryville.

**Lumberton**—116 W. 5th St., Jesse Beatty, Manager, Pts. Elizabethtown, Tabor City, Chadbourne.

**Marion**—Hawkins Bldg., 13 West Henderson St., David S. Gray, Jr., Manager.

**Monroe** — Ray Shute Bldg., 1106 Skyway Drive, Jim Acuff, Manager.

**Morehead City**—809 Evans St., Albert E. Payne, Manager, Pts. Atlantic, Davis.

**Morganton** — 107 S. King St., Ned W. LaFevers, Manager, Pt. Valdese.

**Mount Airy** — 708 S. Main St., David B. Johnson, Manager, Pts. Elkin, Yadkinville.

**Murphy** — 100 Hickory St., James Yonce, Mgr., Pts. Andrews, Hayesville, Robbinsville.

**New Bern**—1305 Simmons Street, Marion F. Barnhill, Manager, Pts. Bayboro, Trenton.

**Newton** — 609 W. 20th St., Cephas A. Cloninger, Manager.

**North Wilkesboro**—Midtown Plaza-Wilkesboro Ave., Troy L. Perry, Manager, Pts. Sparta, Taylorsville.

**Oxford**—P. O. Box 901, 27565, Mrs. Michele Scott, Manager.

**Raleigh**—321-325 W. Hargett St., E. Bobbitt Faulk, Manager, Pts. Franklinton, Fuquay, Louisburg, Wake Forest, Smithfield, Wendell.

**Reidsville** — 221 Piedmont St., Donald J. Kelsey, Manager.

**Roanoke Rapids** — 945 Park Ave., L. C. Carlton, Manager, Pts. Enfield, Scotland Neck, Jackson, Rich Square.

**Rockingham**—106 S. Randolph St., Richard E. Smith, Jr., Manager, Pts. Laurinburg, Wadesboro.

**Rocky Mount** — 234 Hill St., Graham K. Cottingham, Manager, Pt. Tarboro.

**Salisbury** — 600 West Innes St., Fred J. Riddle, Manager.

**Sanford**—219 S. Steele St., Robert Mooneyham, Manager, Pts. Carthage, Robbins, Southern Pines, Pinehurst.

**Shelby**—503 N. Lafayette St., Franklin L. Ware, Manager, Pt. Kings Mountain.

**Smithfield** — P. O. Box 1600, 27577, Allan Marshburn, Manager.

**Spruce Pine**—564 Summit Ave., Davis M. Nichols, Manager, Pt. Burnsville.

**Statesville** — 240 W. Broad St., Wade H. Wilson, Manager, Pt. Mooresville.

**Thomasville** — Hill Building, 7 East Main St., Wilfred R. Eddinger, Manager.

**Washington** — 112 W. Third St., John C. Brooks, Manager, Pts. Belhaven, Swan Quarter.

**Waynesville**—110 Montgomery St., Graham Hendricks, Manager.

**Williamston**—212 Washington St., William R. Ayers, Manager, Pts. Windsor, Plymouth.

**Wilmington** — 717 Market St., William A. Muench, Manager, Pt. Burgaw, Shalotte.

**Wilson** — Farris Bldg., 207 N. Pine St., Amos T. Cherry, Manager.

**Winston-Salem**—630 W. 6th St., Grover C. Teeter, Jr., Manager, Pt. Kernersville, Mocksville.



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4. Any worker who has more than one account number shall report all numbers to the field office of the Social Security Administration nearest his place of employment, or to a local employment security office.

E. If a worker fails to comply with the requirements enumerated under Section C of this paragraph, his employer shall execute a Form SS-5, Application for a Social Security Account Number, or statement signed by the employer, setting forth as fully and as clearly as possible the worker's full name, his present or last known address, date and place of birth, father's full name, mother's full name before marriage, worker's sex and color or race, and a statement as to whether an application for an account number has previously been filed by the worker and, if so, the date and place of such filing.

F. Each employer shall report a worker's social security account number in making any report required by the Commission with respect to such worker. If the worker has no such number, but has shown his employer a receipt indicating that he has filed application for one, the employer shall, in making any report required by the Commission with respect to such worker, report the date of issue of the receipt, its termination date, the address of the issuing office, and the name and address of the worker exactly as shown in the receipt. If the worker fails to show his employer either such number or such receipt, the employer shall attach to any report required by the Commission with respect to such worker the statement on Form SS-5 executed in compliance with Section C of this paragraph.

1.205\* Payment of Contributions

A.\*\* January 1, 1943, except as otherwise provided in Section 96-9 (c) 10 Security Law and in Section B of this paragraph for each calendar quarter of employment occurring on or after January 1, 1943.

REGULATIONS

REGULATION NO. 1.100: GENERAL REGULATION

1.101\* Effective Date of Rules and Regulations

Any rule or regulation adopted by the Commission shall be effective as of the date of adoption, unless a different date is specified.  
\* Adopted June 22, 1943.

1.102\* Meaning of Terms

Unless the context otherwise requires, terms used in rules, regulations, interpretations, forms and other official pronouncements issued by the Commission shall have the following meaning:

- A. All terms which are defined in the Employment Security Law of North Carolina shall be construed in the sense in which they are therein defined.
- B. Commission shall mean the Employment Security Commission of North Carolina.
- C. State shall mean the State of North Carolina.  
\* Adopted June 22, 1943.

REGULATION NO. 1.200: GENERAL EMPLOYING UNIT REGULATIONS

1.201 Definitions

- A. "Pay Period" means that period of time during which wages due on any pay day were earned.
- B. "Wages paid" include both wages actually received by the worker and wages constructively paid. Wages are constructively paid when they are credited to the account of or set apart for a worker without any substantial restriction as to the time or manner of payment or condition upon which payment is to be made and must be made available to him so that they may be drawn upon by him at any time, and their payment brought within his own control and disposition, although not then actually reduced to possession.
- C. "Wages payable" means wages earned, including wages earned and paid as well as wages earned and unpaid.

1.202\* Records

A\*\* Each employing unit shall maintain a record of employment of each worker.

ESC QUARTERLY  
VOLUME 30  
NO. 1-4

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## CHAIRMAN'S COMMENTS

MANFRED W. EMMRICH  
*Chairman*

*N. C. Employment*

*Security Commission*

EMMRICH

Colonel Henry E. Kendall, who spoke to you through these pages for over a quarter of a century, has retired from State employment. During the months we worked together, he was a gracious teacher as the administration of the Employment Security Commission changed for the first time since 1946. You will, perhaps, enjoy some afterthoughts of his career in State government in an article on page 5. The chief administrator of our employment service and unemployment insurance programs, the Colonel was one of the nation's most expert Employment Security executives.

The Employment Security Commission is a unique agency. Since it was established in the mid-1930's it has gained a reputation of integrity and it stands prominently among the nation's Employment Security agencies. We are a public service agency, operating the State Employment Service and the Unemployment Insurance program. Administered by State government, it is a federal-state partner functioning entirely under federal appropriations—one of a handful of state agencies which daily touch the lives of thousands of North Carolinians and I am impressed with our involvement in the economic welfare of our citizens.

**I am also impressed with the professional competence of our employees and the singleness of purpose they display in service to North Carolina.**

The labor market of the 1970's, however, is as complex as any encountered by the ESC in its 40-year history. Our labor force is not diminishing; it becomes more populated each year. The drain on energy resources and its resulting scarcity of materials, the increasing population, and the nation's often unpredictable economy have caused employers to become wary, perhaps skeptical, of the favorable employment conditions enjoyed by North Carolina for many years.

I am convinced that the Employment Security Commission can continue to serve employers and workers alike during uncertain times. Indeed, it is our purpose, not to turn from challenge but accept it, and the direction in which we must go becomes clearer each day.

The ESC must continue to be the principal manpower agency in North Carolina, becoming invigorated in our service and spirited in our own self-confidence. Since my appointment as the new ESC Chairman in late '73, I have observed our employment services to the handicapped, to veterans, to the aged, to the youth of our state and to our farm workers. I have conducted hearings, exercising authority under the Employment Security Law, to determine eligibility for unemployment insurance payments. I have sat with members of labor and management, met with representatives of State government, talked with employers and with many, many persons of diverse interests.

Our responsibilities are diverse, yet we've always had the ability to work together and the capacity to accept new laws, new concepts, and new methods within our two major divisions—the employment service and the unemployment insurance division.

# THE ESC QUARTERLY

Volume 30, No. 1, 4, 1974

Issued at Raleigh, N. C., by the

**EMPLOYMENT SECURITY COMMISSION  
OF NORTH CAROLINA**

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MANFRED EMMRICH .....Chairman

JOHN R. BRANHAM .....Director  
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*State Employment Service Division*

JOHN L. ALLEN .....Director  
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The Employment Security Commission administers two major State programs — Unemployment Insurance and the State Employment Service. The Employment Service provides expense free job placement to applicants through 60 local offices of the Commission. Unemployment insurance covers approximately 1,738,000 workers in North Carolina, providing them with benefit payments in case of involuntary unemployment. The Unemployment Insurance program is supported by payroll taxes contributed by approximately 91,000 Tarheel employing companies, firms and corporations. The Commission has operated since the mid '30's when it was established by the General Assembly as the Unemployment Compensation Commission.



# GOVERNOR APPOINTS

## MANFRED EMMRICH

### NEW ESC CHAIRMAN

Reprinted from  
NORTH CAROLINA,  
N.C. Citizens Association

One week after he graduated from Davidson College in 1959 with a degree in economics, Manfred W. Emmrich was driving a route truck for what was then known as Industrial Vending Corporation of Charlotte.

While he waited for his orders for active duty in the U.S. Army, he served vending machines in Gaston County textile mills. It was not unusual for Mr. Emmrich to find himself talking with a doffer one minute, and a plant executive the next.

The hours were long, the work was hard, and there were times when he and other company employees held their paychecks a day or two until the young vending company could cover them. "But it was great experience, because through it I got to know a lot about people," said the newly-appointed chairman of the North Carolina Employment Security Commission.

It is that familiarity with the North Carolina industrial worker, along with the managerial skills he has acquired along the way, that enables Mr. Emmrich to feel comfortable in the position that Colonel Harry E. Kendall held so ably for so long.

"I'm still trying to comprehend everything that we do here," said the 36-year-old Charlotte native recently. "People probably don't realize all that is done by the Employment Security Commission.

"I have an overview of our operation, but I know that I'll be learning for a long time to come," he said. "I want us to be sure we are charging the correct amount in our taxes, and I want us to be fair and impartial in claims work. We need to continue our efforts in employment services, manpower development, and work incentive programs. And we want to be more



active, particularly in working with what I call 'unemployables.' "

Mr. Emmrich, who was sworn in as the ESC's Chairman on December 3, spoke highly of the Commission's employees. "I have been most impressed with the quality of the people we have at the Employment Security Commission, and with their interest in and dedication to their work," he said.

"In them I find a genuine dedication to serving the people of our state."

Of one ESC employee Mr. Emmrich spoke with special fondness. He is Colonel Kendall, who was named ESC chairman by Governor R. Gregg Cherry in 1946, and subsequently re-appointed by six governors. Colonel Kendall, now 68, is retiring to the role of consultant for the Commission.

"It is invaluable to me to know that Colonel Kendall will be here to counsel



with," said Mr. Emmrich. "He has a tremendous knowledge of all the activities that go on here, and, beyond this, he has been a national leader in Employment Security Commission work.

"He is a true southern gentleman in every sense of the word, and our relationship couldn't be better, I feel. While I can't speak for Colonel Kendall, I believe he shares my feeling."

An important aspect of his decision to accept the appointment as chairman, Mr. Emmrich said, was Colonel Kendall's decision to retire.

"That he had made that decision for himself was important to me," he said. "I think Colonel Kendall and I are developing the mutual trust and respect that will enhance the chairman-consultant relationship, yet leave each of us with a clear view of our responsibilities. I am pleased that he will continue to have a meaningful relationship with the agency that has been his life's work," said Mr. Emmrich of his predecessor.

Mr. Emmrich accepts the Commission's status as a state agency funded by the Federal government as "a fact of life." The Employment Security Commission, for the record, operated under state laws and Federal regulations as well as under a continuing resolution of Congress—not an annual budget, per se. The taxes it collects are deposited in the United States Treasury.

"We are not complaining when we accept this as the way things are," he said. "Because of it, our operating funds tend to be somewhat austere. For example, we have some space problems. But our people accept those things as facts of life, not as obstacles."

Mr. Emmrich opposes efforts to federalize the work of the states' Employment Security Commissions.

"The General Statutes of North Carolina say that the Commission will oppose federalization of its program," he said, "and a 1965 joint resolution of the General Assembly, which is still effective, reaffirms that position. I will do my best to carry out the will of the people of North Carolina regarding federalization."

The new chairman comes from hardy German stock. His mother came to this country as a teenager; his father, as a young man in his twenties. The elder Mr. Emmrich was a master mechanic who was building knitting machines for a mill in Charlotte and, because the few German families in the area naturally came to know one another, he met Mrs. Emmrich. Today, they operate a motel at Maggie Valley.

Mr. Emmrich is one of three boys in his family. One earned a degree at North Carolina State University and is now pursuing a master's degree in management science at the University of North Carolina at Charlotte. The other graduated from the University of Tennessee during the same week Mr. Emmrich took the oath of office as ESC chairman.

Mr. Emmrich, with parental help, worked his way through Davidson College. He waited on tables in the dining hall, took advantage of the student financial loan program, and worked during the summers—spending one summer with classmate Tenney Deane, now a member of the Utilities Commission, in a Green Giant foods camp out west.

While awaiting orders for military duty, he worked in the vending machine business. "It represented a chance for them to look me over and for me to look them over," he said. He enjoyed the work, starting as a routeman and eventually becoming vice president and general manager of the Asheville operation.

"Like a lot of young men, I figured the world was made up of college graduates," he said. "Of course, I had to readjust my thinking a little. I found in dealing with the people in the textile mills and elsewhere that wisdom is not the prerogative of the formally-educated. I have a great respect for the workers in this state."

After 11 years with The Macke Company—which had purchased Industrial Vending Corporation while Mr. Emmrich was graduating with honors from the U.S. Army Intelligence School at Baltimore and later serving on the school's faculty—he was promoted to assistant operations manager for the Southeastern region by Macke. Five months later, Governor James E. Holshouser, Jr., appointed Mr. Emmrich chairman of the ESC.

#### TO WORK WITH PEOPLE

"I have always worked to be a professional manager, and I believe that professional managers have skills that can be transferred from one environment to another," he explained. "I viewed my coming to Raleigh and the Commission as an opportunity to work with people and serve people in a different way, and hopefully to make some sort of contribution. It is an opportunity to work on a broader basis all over the state."

Work, in fact, has always been a staple in Mr. Emmrich's life. "I don't have many hobbies; I've always been work-oriented," he said. "I can work

until 11 o'clock at night, reading and thinking, and that relaxes me as much as golf relaxes others."

This is not to say that he does not have other interests. There is, for example, his family. It includes his wife, the former Susan Truncer, whom he met in Asheville, and two children: four-year-old Lisa and three-year-old Adam.

There is reading. "I read all kinds of periodicals, professional works, and other books," he said. "I usually have five or six works going at a time, so I can read something that suits whatever mood I happen to be in. And I enjoy the time I have with my family. I try to emphasize the quality of the time—not the quantity of the time—that we spend together," he said.

He enjoys sports, but is not addicted to them.

A sports legend does figure prominently among the people Mr. Emmrich admires, however. His name was Vince Lombardi, and some people consider him the greatest coach, and one of the finest men, in the history of professional football.

"I am a great Lombardi fan," said Mr. Emmrich. "I think he was a master of modern management, because management is leadership and he was a great leader. I believe in the ideas he preached, things like the proper attitude, paying the price, and the team effort. And that faith sustains you through good times and bad."

He removed his wrist watch. Engraved on the back were the three words Lombardi chose for the title of his book: "Run To Daylight."

"I had told the Macke people in Asheville I'd just as soon they skip the going-away dinner and gift when I left there," he said, "but they knew how much I admired Lombardi. So they gave me this watch. It's a treasured thing to me."

Unlike the late coach he admires, Mr. Emmrich is a quiet, soft-spoken man. He hardly overpowers visitors to his office. But he is skilled, motivated, and self-assured—more than enough, perhaps, to do some running to daylight of his own.





With more than a quarter century of service to North Carolina, Colonel Kendall stands before a table full of citations and awards received during his ESC Chairmanship.

## KENDALL ENDS 27 YEARS WITH COMMISSION



Henry E. Kendall of Raleigh, the man who had served continuously longer than any administrator of any employment security agency in the United States, retired from state government in December.

He ended a 27-year career as Chairman of the N.C. Employment Security agency, the only state official to be appointed to office by six consecutive governors.

Announcing Kendall's retirement, Governor Jim Holshouser said he was a man who had become a "legend" in his time.

Governor R. Gregg Cherry in 1946 started his career when he appointed Kendall, a young lieutenant colonel recently discharged from the Army Corps of Engineers, to replace A. J. Fletcher as ESC Chairman. The Army title stayed with him and Kendall became known as the "Colonel" by friends and associates.

"In the 27 years I have held this office my most sincere desire has been that the Employment Security Commission provide outstanding services to the people of North Carolina," said Colonel Kendall in a letter announcing his retirement to co-workers.

"I believe you have accomplished this, and each employee of the Commission can be proud that you have made this agency one of the nation's best. Working together and in your singular tasks, each of you have contributed to the Commission's excellence. You have been professional in your work and we have had many good years together.

"I wish," Kendall continued, "that I

could express my appreciation to each of you personally. During my career in State government I have had the good fortune to become acquainted with many private, public, and corporate North Carolina citizens, but my association with the people of this agency has been my best fortune and richest experience," he concluded.

The Commission, which began as scion of the federal Unemployment Compensation and Tax Act and the Wagner-Peyser Act of the mid-1930's, grew in size and complexity during Colonel Kendall's tenure as Chairman. Born of the 1928 depression, the federal statutes established the public employment system in the United States and a program of unemployment insurance to be financed by employers.

The 1936 N.C. General Assembly adopted similar statutes, adhering to the federal guidelines so that approximately 90 percent of the tax collections could be retained for payment of North Carolina unemployment insurance benefits. The programs, unemployment insurance and the non-fee-charging employment service, evolved into a federal-state partnership with state responsibility of UI-ES administration in compliance with federal directives. Initially, the unemployment insurance law covered employers of eight or more workers, but in subsequent years it was amended to employers of four or more workers, then, most recently, to employers of one or more people.

Consequently, the program grew during Kendall's chairmanship from

coverage of only a few thousand workers in North Carolina to nearly 2,000,000. Tax collections in 1973 were \$63,780,010, and payments to eligible jobless workers under the program were \$28,645,021. At Kendall's retirement, the state's unemployment insurance fund had accumulated over \$457 million.

Financing the program, according to the Colonel, was "complex." He asserts that the program has always been "underfinanced. You have to stretch your people out and out," but he believes the allocation of funds from the Department of Labor regional office has always been equitable within the limits of the money available.

Funds to finance the nation's employment security program come from a .5 percent tax on liable employers' payrolls. Although the Employment Security Commission is a State agency operating on State personnel policies and its members are appointed by the Governor, operating funds are allocated from federal appropriations.

During his seven appointed terms as chairman, Kendall was an adamant proponent of state control of its individual laws and in the mid-1960's he appeared before the House Ways and Means Committee speaking in opposition to suggested federal legislation which, he believed, would have substantially federalized the states' programs.

He believes states are losing their flexibility to administer their own



programs in "the manner needed to be successful locally."

Says Kendall: "We have a terrific amount of service to render, and I hope we can keep a true federal-state relation, and I mean by that, respect for each other."

The Colonel reports the program was still new when he was first appointed ESC Chairman. "I had to find out what it was all about, what the programs were, and how best to serve the people of North Carolina."

"All the times were good," he continues. "My staff was competent. They wanted a good program. They had pride."

"The program was still relatively new. The legislature didn't understand it. The folks in Washington didn't understand it," he explains, "but we established a good relationship with the General Assembly and the federal administration. It was pleasant dealing with everyone concerned, and we tried to do the best we could. We got good support," Kendall says, "from the General Assembly, from the state administration, and from Congress."

"Most of the rough spots came when people didn't understand the program or misunderstood the law."

Born August 24, 1905, in Shelby, Kendall attended N.C. State College, graduating in 1926 with a degree in civil engineering. During his senior year he was president of the student body.

In that year he was employed by an engineering firm in Danville, Virginia. Four years later he joined Dibrell Brothers tobacco exporters, employed in Shanghai, China. In 1936 he returned to North Carolina and went to work for the State School Commission.

In 1942, he entered military service and had tours of duty in Great Britain, in the Philippine Islands and in Japan.

When the war concluded, Colonel Kendall returned to Raleigh and from 1946 through 1972 was appointed Chairman of the Employment Security Commission by Governors Cherry, Scott, Umstead, Hodges, Sanford, Moore and Scott.

During his chairmanship, he was a Lion, a Mason, and a member of the N.C. Society of Engineers. He was also an official of the N.C. American Legion department, holding several offices, and he was a member of the Bureau of Veterans Employment Rights with the U.S. Labor Department.

The Interstate Conference of Employment Security Agencies, an organization of the nation's employment security administrators, honored Colonel Kendall by electing him president of the prestigious group in

1953, and again in 1962.

He held many posts with the ICESA.

He was president of the N.C. State College General Alumni Association in 1949; a member of the board of directors, N.C. State University Foundation in 1972. From 1968 until his retirement, Colonel Kendall was a member of the board of directors of the N.C. Manpower Development Corporation.

He was a member of the board of directors of the State Employees' Credit unit, appointed in 1963; a member of the Phi Kappa Phi national honor society, elected in 1951; a member of the International Association of Personnel in Employment Security; and a member of the Governor's Committee on Employment of the Handicapped, an organization he helped establish.

Colonel Kendall was also a member of the Executive Committee of the President's Committee on Employment of the Handicapped, representing the ICESA. He served with the Governor's Committee on Aging.

His many citations include:

—the IAPES Merit Award, 1968, for outstanding service to handicapped workers

—Outstanding Service Award, VFW, 1966

—"Volunteer in Partnership" 25th anniversary award, President's Committee on Employment of the Handicapped, 1972

—Outstanding Service Award, President's Committee on Employment of the Handicapped, 1972

—Public Service Award, Governor's Committee on Employment of the Handicapped, 1972

—N.C. Citizens Association's "Distinguished Public Service" award, 1973.

The Colonel received many honors during his 27 years as ESC Chairman, but his greatest honor, he insists, was the presence of nearly 300 employees, friends and associates who joined Governor James Holshouser at his retirement banquet in January.

Kendall gained the reputation among employers and the public alike as a just and equitable administrator of North Carolina's complex unemployment insurance program, never losing sight of its basic premise and always requiring strict compliance to federal and state statutes.

During his first term as Chairman of the Employment Security Commission, he met Miss Eliza Katharine Kerr of Yanceyville. They were subsequently married and established a home in a traditional, two-story brick residence in Raleigh's Budleigh section. They live there today.

## BRANHAM NAMED NEW DIRECTOR OF U.I. DIVISION

John R. Branham, 63, a native of Raleigh, was promoted to Director of the Unemployment Insurance Division on March 1, succeeding retiree R. Fuller Martin.



**BRANHAM**

Branham attended local public schools in Raleigh and then studied at Wake Forest College in Winston-Salem. After receiving his law degree there in 1933, the graduate returned to Raleigh to practice law. He joined the Employment Security Commission in 1938 as a Junior Claims Examiner.

Branham served in the Army in World War II and then resumed work in 1945 with the Commission. Among the positions he held before his present promotion were Assistant Chief of Benefits and Assistant Director of the UI Division.

The new Director has been active in the International Association of Personnel in Employment Security. Since he served as N.C. Chapter President in 1950, he has had various committee responsibilities for the organization, including Chairman of the Nominating Committee in 1960 and member of the Convention Site Committee in 1961.

He has also participated in the North Carolina State Employees Association and the Interstate Benefit Payments Committee of the Interstate Conference of Employment Security Agencies.

Branham has been active in the American Legion, serving as adjutant, service officer, and as a member of its Foreign Relations Committees, N.C. Department.

His wife is the former Sara Harrison of Emporia, Virginia. The Branham's have a son, John "Ruffin" Branham, Jr.

Greensboro native William R. Brandon, 52, moved into the position of Assistant Director of the Unemployment Insurance Division on April 1, 1974.

Brandon attended Georgetown University and the Sorbonne in Paris. He

**See BRANDON, page 33**



# Scott Harvey: "We can pay our way"

Reprinted from NORTH CAROLINA, Published by the N.C. Citizens Association

The Department of Commerce is one of life's ironies, in that both the department and its budget were created by state government reorganization, which presumably came about itself to make the best use of state revenues.

Those taxpayers who would view all this with a jaundiced eye would do well to spend a moment or two with the department's new secretary Scott Harvey, late of the General Electric Company.

"We expect, if the General Assembly sees fit to continue our funding, to more than pay our own way," said Mr. Harvey during a recent interview.

"We know that we can serve a very useful purpose in tending to many administrative affairs of the boards that we serve, and I am certain that we in the department can promote general efficiency, thereby securing more service for the state government revenue dollar," he added.

The department which Mr. Harvey has headed since December, 1973—after succeeding Tenney L. Deane, who was appointed to the Utilities Commission—administers 10 authorities, boards, and commissions whose decisions affect most North Carolinians at one time or another.

"We don't attempt to direct the staffing of these boards at the professional level, but we do believe that we can serve a very useful purpose in tending to the agencies' other administrative affairs collectively," said Mr. Harvey, a 51-year-old Kansan with a friendly manner and a hearty laugh.

There is yet another function the Secretary of Commerce can perform: it is next to impossible for each board and commission to gain the Governor's ear, no matter how vital the issue; the secretary, however, can take to the state's chief executive the collective messages of the various groups.

"The boards had relatively little contact with the Governor in the past," Mr. Harvey said, "and, moreover, each board knew little about what the others were doing.

"By performing a coordinating function, then, the department benefits all of them," he said.

In addition, he holds the feeling that the Department of Commerce can



HARVEY

"establish a link between the boards and the governor and the General Assembly that perhaps did not exist in the past," he said, "and that will benefit not only the parties involved, but also state government as a whole."

Mr. Harvey is no newcomer to political life. He has flirted with it in the past, as a Republican candidate for the N.C. Senate in 1964, for the U.S. House of Representatives in both 1966 and 1968, and as Chairman of Governor James E. Holshouser, Jr.'s, campaign in Buncombe County in 1972.

"I find politics very absorbing and interesting, and I trust that the experience one gains there is useful, also," he said.

Mr. Harvey was born in Salina, Kansas, studied at the University of Kansas from 1941-43, then served in the U.S. Army for three years. He was an infantry sergeant who saw action, and was wounded, although not seriously, in France and Belgium.

Then it was back to the University to complete requirements for his degree in business administration, with a major in personnel administration and a minor in finance.

He joined the General Electric Company in 1947 as a traveling auditor.

"I came South, married a Southern girl (the former Margaret Irene Carlburg of Asheville), and thought I'd like to stay in North Carolina," he said.

General Electric at that time had no facilities in the state, so Mr. Harvey joined Champion Paper Company at Canton for four years, then returned to

General Electric when the GE facilities were opened in Hendersonville in 1955.

He worked in a variety of capacities for GE, including manager of data processing, operations, specialist in physical distribution planning and research, and production planning and sales forecasting.

"As I became increasingly involved in politics, I developed the desire to participate to a greater degree," he said, "thinking that service in government is both serious and important.

"I felt that, through my business experience, I had something to offer government, and that fresh thinking and new ideas in government could benefit the people of the state.

"In no way do I mean to be critical of business experience—in fact, I haven't burned my bridges behind me; I am on leave from General Electric. But I am convinced that government service can add a new dimension to one's personal experience, and my short tenure here so far confirms that for me," Mr. Harvey said.

In addition to the usual civic and community work common to the state's management specialists, both in and out of government, Mr. Harvey has been active in church work. An Episcopalian, he is a member of the Standing Committee of the Diocese of Western North Carolina, the Commission on Ministry, and the Executive Committee of the Diocese. He has been a Senior Warden of Asheville's All Souls Church.

He likes tennis and gardening, and he said that "a little woodworking, sometimes more like wood-butchering, is enjoyable to me, too." He and Mrs. Harvey are the parents of two children, a daughter, Stuart Ann, and son, Robert Charles. She is 19 and a student at Lees-McRae College, and he is nine and a student. The family will move to Raleigh at the end of the school year.

Meantime, Mr. Harvey is busy at the Commerce Department, acclimating himself to the new work and also laying plans to enhance his department's accountability.

"I have some ideas in mind for the department," he said, "and I am convinced we can pay our way."



# Old Timers Say Farewell To Commission Service

A number of long time Employment Security Commission employees announced their retirement at the end of 1973, including several who ended their careers because of a recent State Personnel Policy requiring compulsory retirement at age 65.

R. Fuller Martin, 71, retired December 31 after 35 years with the Commission. He had been director of the agency's unemployment insurance division since 1945, and during that time the number of employers in North Carolina covered by the unemployment insurance program grew from several thousand to over 80,000. All tax collections, claims payments, accounting and determination of tax liability were under Martin's supervision during his 28-year tenure as UI director.

At the time of his retirement nearly 1.8 million North Carolina workers were covered by unemployment insurance, and the unemployment insurance trust fund exceeded \$403 million.

A native of Madison in Rockingham County, Martin attended business colleges in Roanoke, Virginia and in Chicago. He joined the Employment Security Commission in 1938 as a fiscal supervisor, was promoted to business manager in 1940, and then to UI director in 1945.

Martin was widely recognized across the United States by UI administrators as an outstanding fiscal manager and UI specialist.

The employee with the longest length of service with the Employment Security Commission was Miss Irma Johnson, the former Supervisor of Evaluation and Training. Miss Johnson retired at the end of November after 40 years of State employment, ending a career which began in 1933 with the old federal-state employment service in the State Department of Labor. Later she joined the Raleigh ESC office when "conditions were a little primitive," she reports.

She worked for the War Manpower Administration in 1942, then returned to the Commission as training supervisor. When training and evaluation were consolidated in 1959, Miss Johnson became the department's first supervisor, a post she held until her November 30 retirement. Known by everyone, Miss Johnson says, "The

statute of limitations caught me."

It also caught Tom Adams, who until his December 31 retirement was supervisor of the Employment Security Commission's Rural Manpower Service, a group of employment service individuals who recruited and placed farm workers on agricultural jobs and provided services to rural industries.

Adams, who attended Duke University and Wake Forest College, joined the Employment Security Commission in 1946 as a training technician and later worked for Irma Johnson as an evaluation and training specialist. In subsequent years he worked as a plans, methods and procedures analyst, an assistant farm placement supervisor, an administrative officer, and then became director of the farm placement division when Raymond Umstead retired in 1968.

Hugh Cashion had 17 years with the Employment Security Commission at the end of 1973. A business administration student of Davidson College in 1923 and then an accounting graduate in 1933, Cashion joined the Commission as an interviewer. He worked as an area redevelopment training specialist, an occupational analyst, an employment service representative, an area supervisor, and when he retired he was State



**MARTIN**

manpower programs coordinator.

Other ESC employees who retired December 31 were:

—Troy Perry, manager of the North Wilkesboro local Employment Security Commission office, after 29 years with the agency.

—Viola Billings, manager of the Goldsboro LO, after 28 years.

—Davis Nichols, manager of the Spruce Pine local office, after 34 years.

—Truman Parmele, a veterans employment representative in Lumberton, 17 years.

—Mike Meginnis, a veterans employment representative, Rockingham, 26 years.

—Natalie Stephenson, an accounting department stenographer, 9 years.

Wynona Fowler, clerical unit supervisor in the ESC central office, 28 years.

—Stanhope Dunn, research analyst, 31 years.

**See RETIREMENTS, Page 34**



Honored together at a retirement banquet were ESC central office retirees Stanhope Dunn, Hugh Cashion, Tom Adams, John Allen, Jr., Wynona Fowler, Irma Johnson and John Memory (L to R). Miss Johnson, with 40 years, was the Commission's longest in-service employee. They were just a few of the Commission workers who retired from all sections of the State at the end of 1973.



# FIELD REPRESENTATIVES WORK WITH GROWING NUMBER OF EMPLOYEES COVERED BY U.I. LAW

By HEBER EAKER  
Supervisor, ESC Field Representatives

The Field Representative Unit came into being in 1937 shortly after the Employment Security Commission was organized. This unit had a small beginning but has seen constant growth since its inception. The most dramatic growth periods occurred in 1956 and in 1971 when the legislature enacted changes which extended coverage to employers not previously required to be covered under the Unemployment Insurance Program.

The Field Representative Unit has had seven supervisors, the first of whom was Johnny Cooper who supervised the unit for approximately seven years. Cooper was succeeded by George L. Clendenin who served about 12 years as supervisor. Jimmy Brothers, who served only one year as the unit supervisor, was followed by J. B. Harris who supervised the unit for the next nine years. Harris was succeeded by Joe G. Elliott who was head of this unit from 1965 until 1967 when Douglas R. Taylor became the successor through September 1, 1972, the date on which I became the seventh supervisor of the Field Representative Unit.

To give an example of the rapid growth in the activity and size of the unit that has occurred in recent years, in 1971 there were in North Carolina approximately 43,000 covered employers under the Unemployment Insurance Program. At that time there were Field Representatives in the unit serving these employers. Effective January 1, 1972, a change in our law extended coverage to more than 90,000 employers who employ one or more individuals; and the Field Representative Unit has grown to its present size consisting of 74 Field Representatives, four Assistant Supervisors, five stenographers and typists, and the Supervisor of the unit.

The Field Representatives in this unit are stationed throughout the State in local offices of the ESC. The activities in which they are engaged are quite varied, making it necessary for an individual employed in this

classification to wear many hats. On occasion his job requires that he be a skillful interviewer. At other times it is necessary that he perform tasks usually performed by members of the legal profession. At other times he must act as a law enforcement officer or sheriff. He must be an investigator and, most of all, he must be a diplomat. In other words, a Field Representative must be truly well versed in all the facets of his job and must be, in my opinion, an outstanding person.

The assistant supervisors are all stationed in the Commission's central office and are required to spend at least half of their time away from their home station since they must travel throughout the State to train and supervise the Field Representatives. This is quite a task, made more difficult by the fact that there are numerous differences between the makeup of the various territories in the State, both in a geographic sense and in the types of employers and businesses existing in these various areas. When the assistant supervisors are at their home station in Raleigh, they must examine completed work submitted by the Field Representatives and must keep abreast of production as well as all of the various problem cases encountered by the representatives in the field.

The stenographers and typists in

this unit must handle a tremendous volume of correspondence with the representatives in the field as well as with employers. The stenographers must be able to take dictation in shorthand and also use the dictaphone since both are utilized in conducting the affairs of the unit.

The supervisor of the unit is charged with the responsibility of coordinating and directing the work of the entire unit in such a manner as to obtain the most efficient operation possible.

One of the many responsibilities of this unit is to carry out the activities necessary to obtain information to determine an employer's status and to enforce collection of contributions (tax) under the provisions of the Employment Security Law and in accordance with the Commission's policies. In the exercise of his duties, a Field Representative is required to examine the records of an employing unit to determine whether or not they meet the criteria prescribed in the law requiring them to pay contributions based upon wages paid to their employees. In the course of his activity, it is necessary that he explain to the employer the requirements of the law and the Rules and Regulations and their interpretation as related to unemployment insurance matters. It is also necessary that the field representative be well versed in accounting, since it is his responsibility to instruct and advise employers as to the legal requirements pertaining to record keeping and information required on various reports.

The Field Representative Unit is also charged with obtaining and verifying information regarding changes in ownership and possible transfers of an experience rating account from an employer to his successor. Needless to say, some of these activities are quite intricate and the Field Representative must be thoroughly acquainted with the laws pertaining to these matters.

To assist the field representative in the performance of these tasks, he or she uses as guidelines Section 96 of the



EAKER



General Statutes, the Rules and Regulations, which have been adopted by the Commission, and directives and procedural memoranda from the Central Office. Each representative has a file containing more than 1,450 opinions, which have been handed down in various cases by the Commission, and approximately 250 interpretations, which have been handed down by our Legal Department and the Attorney General.

In dealing with the collection of delinquent contributions, the field representative is required to serve executions or judgments on employers who are delinquent in their payments; and in those instances in which the employer refuses or fails to pay monies due this agency, he is acting in the same capacity as a sheriff. The law gives him the same authority so far as the service of civil papers involving Commission business as that vested in the sheriff of a county.

It is necessary for the field representative to be able to examine property records in the courthouse in the county in which he or she is stationed and determine if the judgment debtor owns any property, real or personal, in which there is sufficient equity to justify seizure by levy and sale of property in an effort to satisfy the outstanding indebtedness. To do this, the field representative must be able to prepare an abstract of property and discover from the legal records any encumbrances on this property. In cases of this type, it is quite clear that the field representative is performing an activity similar to work usually associated with the legal profession and during the time when he is engaged in this activity, we can say that he is wearing his lawyer's hat.

If property with equity is found, it then becomes the field representative's duty to seize, advertise, and sell the property or a sufficient amount of such property to satisfy the employer's indebtedness to this agency. To do this, he must be thoroughly familiar with the portion of the General Statutes relating to levies and sales under execution. During the above-mentioned activity, the field representative becomes an auctioneer; and when the sale is completed, he must be able, in the case of real property, to furnish our Legal Department with complete property descriptions and other necessary information to enable the legal staff of this agency to prepare a deed to convey ownership of this property to the buyer. When personal property is sold, the necessary bills of sale, reports to court officials in the

field representative's county, and reports to the central office must be properly prepared and submitted. In cases involving motor vehicles, the necessary forms to secure a title to the vehicle must be executed in order that the buyer may properly title and license the vehicle.

On occasion the field representative is instructed to cause warrants to be issued against employers who have failed to file their quarterly wage and contribution report as prescribed by law. Also, the field representative is instructed to issue warrants against employers who have rendered worthless checks in payment of contributions due. In these cases the representative must appear in a court of competent jurisdiction and represent the Commission by appearing as the prosecuting witness in the case. To do this he or she must totally familiarize himself with the facts in each case and must be diligent in the preparation of his case to insure that the evidence presented is just both to the agency and to the employer involved.

Also, in the execution of his job, the field representative is, on occasion, instructed to make special investigations to appear as the Commission's witness at Commission hearings involving protests of administrative determinations regarding liability.

#### NOT CLOSELY SUPERVISED

In the exercise of all of his duties, the field representative must be diplomatic since a large portion of his assignments are of a delicate nature. The work of a field representative requires a person with outstanding ability to get along well with people even in what are sometimes unpleasant circumstances. A field representative has considerable freedom in his work since his job does not lend itself to close supervision. He must be a person of sound judgment who can plan his work and budget his time without constant supervision. The supervisory personnel in this unit are always ready to render assistance when assistance is required. However, since the field representatives are stationed throughout the state and all supervisory personnel work out of the Commission's central office in Raleigh, constant supervision is an impossibility.

The representatives in this unit, as well as the assistant supervisors and the clerical staff, are very conscientious in their work and the majority of them consider their jobs as some of the better jobs available with this agency.

# How to avoid future shock.

Tomorrow won't take care of itself. And, deep down, you know that. So you'd better do something about your future money needs today.

There's a painless way. Simply start building your nest egg a little at a time. It's easy when you buy U.S. Savings Bonds through the Payroll Savings Plan where you work.

You can save as little or as much as you want. Just specify the amount. And it'll be set aside from your paycheck and used to buy Bonds.

Then, when the future arrives, you'll be better fixed to face it. Because Bonds are the best shock absorber around.

Now E Bonds pay 6% interest when held to maturity of 5 years (4½% the first year). Bonds are replaced if lost, stolen or destroyed. When needed, they can be cashed at your bank. Interest is not subject to state or local income taxes, and federal tax may be deferred until redemption.



## Take stock in America.

**Join the Payroll Savings Plan.**



The Manpower know-how of the Employment Security Commission is being recognized and appreciated all over the State of North Carolina. ESC has had a number of proofs of this fact, but a very tangible demonstration was shown through the City of Greensboro. The Community Action Program Agency there was no longer in existence in the spring of 1973, so the Manpower Area Planning Council requested the ESC to sponsor the existing Neighborhood Youth Corps, New Careers, and Operation Mainstream.

When the ESC agreed to do this, its personnel knew very little about operating these types of programs. Even in the Concentrated Employment Programs, in which the Commission has been involved for a number of years, these particular activities did not come under the supervision of the ESC. So ESC personnel connected with this new venture learned more of ways in which we can help people change their thinking and their way of life, and improve their actual life situation by having a regular income commensurate with their abilities.

These programs do not come under the regular ESC budget, but are specially funded by separate budgets by contract between the ESC of North Carolina and the Department of Labor. For example, the Greensboro Manpower Programs (Neighborhood Youth Corps, New Careers, and Operation Mainstream) contract between the ESC and DOL ran from June 1, 1973, until September 30, 1973. This short period of time was the result of funding requirements. For the first two months of this trial and error period, Greensboro local ESC office manager Melvin Starnes coordinated these programs in addition to his regular duties.

The new contract between the ESC and DOL runs from October 1, 1973 to July 13, 1974. Prior to this final date, the MAPC will decide whether the ESC will sponsor these programs again; and if they are again funded by the federal government, a new contract containing a new budget will be drawn up and signed by ESC and DOL. (There have been similar contracts in Sanford and Shelby, but all activities are completely by ESC employees under the local office managers in the respective locations. All activities under these contracts are under final supervision of the area supervisors of each area involved with the technical assistance and know-how of the State Manpower Programs Coordinator, Melvin Starnes.)

## ESC Sponsors Manpower Programs In Greensboro

By GLORIA NATHAN

Former ESC Manpower Coordinator, Greensboro

It will be of interest to know exactly what these special manpower programs attempt to accomplish. The Neighborhood Youth Corps in Greensboro has two different programs—the In-School Program and the Out-of-School Program. Under the In-School Program, ESC has contracted to enroll 95 disadvantaged youth from Guilford County (this includes Greensboro and High Point) to participate in this project for eight hours per week at \$1.60 per hour. In addition to work experience, those enrolled will receive supplemental guidance in social adjustment, financial information, vocational and educational information, and counseling from the project staff. The purpose of the In-School Program is to keep young people (between the ages of 14 and up until high school graduation) gainfully occupied and to provide money so that they may complete their schooling.

In the NYC Out-of-School Program, 75 enrollees from Guilford County, ages 16 and 17, will be involved in one or all of the following activities, depending upon their employability plan: education, vocation and/or skill training, and work experience. All will

participate in counseling and orientation. The hours of participation (not to exceed 40) will depend upon the enrollees' employability plan, and each enrollee will be paid a stipend. The Out-of-School Project is established so that those youngsters who have dropped out of school will learn good work habits and become gainfully employed.

The staff of the Neighborhood Youth Corps Unit is composed of eight members. There are four counselors, a receptionist-typist (for the whole manpower program), a payroll clerk, an education specialist, and the director, Nellie Jones.

The New Careers and Operation Mainstream component is headed by Douglas Davis. He has a staff of three, other than himself: two core group leaders (or counselors) and an administrative assistant. The New Careers section of this unit is designed to train 43 enrollees from Guilford County, who will engage in skill training with various agencies, called user agencies, who agree to train a prospective employee and later to hire that trainee as a regular employee. First-year trainees will be paid \$1.60 an hour. Employers of second-year trainees will be reimbursed 50 percent of the wages which will be at or above the minimum wage. New Careers trainees may be trained as licensed practical nurses, in Day Care Centers as Day Care teachers, in clerk-typist and office positions, as a few examples.

The Operation Mainstream section of this component will train 23 enrollees from Guilford County who will participate in a meaningful work experience for 40 hours per week at \$1.60 an hour. Whereas the New Careers section, more often than not, has high school graduates or enrollees close to graduating high school, the Operation Mainstream enrollees often are fairly close to illiteracy or have not completed many of the higher grades of school.



NATHAN



It is quite rewarding to the staff working with these people in Operation Mainstream to see how pleased some of the enrollees are to have learned to sign their own names, because they do have educational training for eight hours of the 40 hours per week. Forty percent of the number of enrollees must be 55 or over for participation in Operation Mainstream.

There are agencies that furnish services to these programs without cost to the programs. Some of these are Guilford Technical Institute, Department of Social Services, the Health Department, Schools, Drug Action, non-profit worksites in city, county, state, and federal agencies, Youth Services, and Vocational Rehabilitation. Services that are furnished for which there is a charge are local doctors and dentists at a reduced fee, A. & T. College, Guilford Technical Institute, UNC-G, city and county governments, and a number of other organizations. All three programs provide means and encourage their enrollees to acquire their GED certificate and counseling services and goals are quite similar for all three programs. Counselors provide developmental counseling building self-image whereby the counselee learns to understand himself and his world. This process involves helping the individual identify his environment, describe his goals, consider a course of action, and develop a program to successfully reach these goals. Thus, the main idea of counseling is to help the individual become a viable, independent, self-functioning member of society.

Continuous recruitment for the programs is provided by the Supportive Services Coordinator, Burnest Graham, who also coordinates transportation needs and does constant job developing.

The whole Manpower Programs Operation in Greensboro has been coordinated since August 1, 1973, by Gloria Nathan, ably assisted by an administrative assistant who fills in where needed in all three programs. This completes the staff who operate the Greensboro Manpower Programs.

As well as the writer of this article can determine, under Revenue Sharing, and depending on the wishes of the different councils and boards across the State, the trend seems to be toward ESC going into more and more of these manpower programs in the different areas of the State. As in all programs under the ESC, and in keeping with the needs of our clientele, placement into a job is most important. This is the final achievement of the ESC manpower programs.

## Some State Workers Now Under UI Law

By JOHN BRANHAM  
Director, UI Division

The 1971 General Assembly of North Carolina amended and ratified amendments to the Employment Security Law of North Carolina to conform with the Federal Unemployment Tax Act amended by the Congress in 1970.

Included in these amendments were provisions to extend unemployment insurance coverage to workers employed by State hospitals and State institutions of higher education effective January 1, 1972. These are the only state employees covered by unemployment insurance.

For the purpose of this coverage, a "State hospital" means an institution operated by the State, located in the State, and licensed by the State Department of Mental Health or the North Carolina Medical Care Commission. An "institution of higher education" means all universities, colleges, community colleges, and technical institutes located in North Carolina and operated by the State.

At present there are 19 State hospitals covered involving approximately 14,311 employees.

A total of 72 State institutions of higher education are covered. Of these 15 are State universities, 15 community colleges, 41 technical institutes, and 1 school of art involving approximately 27,641 workers.

Thus, there are a total of 91 institutions and 41,952 state employees newly covered by unemployment insurance.

An employer account number of seven digits (e.g. 00-00-000) has been assigned to each of these employers. The first two digits are 99, which means that it is a State institution. The second two digits indicate the county in which the employer is located, and the last three digits are for internal control. In some instances, branch account numbers were assigned for the convenience of the employer in determining cost by major budget codes within the institution.



BRANHAM

Each of these employers is required to submit each quarter a Form NCUI 101, Employer Quarterly Contribution Report and NCUI 625, Quarterly Wage Report Summary subject to the same requirements as for other employers. They must report the total wages paid each quarter to employees receiving a state voucher for full time or part time work, both within and outside the State. The following, however, are exempt from coverage: (1) students attending classes regularly at the same institution, (2) inmates of the hospital or prison, (3) services performed by a spouse of a student if the spouse's employment is to provide financial assistance and such spouse is informed that the employment is not covered, (4) agricultural labor.

Although these State employers do not pay any contributions (taxes) they must report the \$4,200 taxable wage on the contribution report (they do not compute any contributions due). These employers also do not pay any Federal Unemployment Tax to the U.S. Internal Revenue. An experience rating account is maintained for each employer even though they are on a strictly reimbursement basis. The experience rating accounts are maintained for informational purposes only in case the Governor or the State Department of Administration should want to consider changing from reimbursement to experience rating.

As of the end of the twelve-month period ending July 31 of each year the amount of benefits paid and chargeable to the base period employers is computed. A list of these charges is prepared for each employer showing the name of each claimant paid and the amount that is chargeable to the employer's experience rating account. From this list a statement of charges is prepared for each State employer and

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## Governor Appoints Three to Serve As ES Commissioners

In January, Governor Jim Holshouser named three new appointees to serve three year terms with the Employment Security Commission.

They are Thomas E. Allen of Thomasville, James Harold Davis of Southport and Malon R. Smith of Charlotte. Their terms expire July 1, 1977. Court of Appeals Judge James Carson administered the oath of office at the Employment Security Commission central office January 24.

Allen, 44, is vice president for product development and control of Thomasville Furniture Industries, Inc. He previously was employed by the Lane Company, Altavista, Virginia, and Carolina Mirror Company, North Wilkesboro.

The Stanly County native is a 1952 graduate of N.C. State University and served two years in the Air Force as an air installations officer.

Davis, 34, is employed by Brown and Root Construction Company, Southport, as a piping engineering inspector. He previously was employed by International Terminal Operating Company, New York; Coastal Services Corporation, Southport; and Stearns-Rogers Corporation, Wrightsville Beach.

He was educated at Durham Technical Institute and Cape Fear Technical Institute. Davis has served as city treasurer and alderman in Southport and is active in many local civic and political affairs.

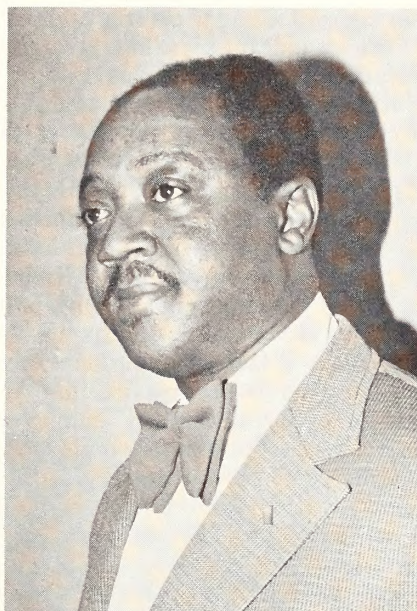
Smith, 52, is vice president and treasurer of Belmont-Heritage in Belmont. He previously was a member of Haskins and Sells, a Charlotte certified public accountant firm. Smith is a native of Southport and graduated from Wake Forest college in 1957. He served in World War II and the Korean War as an Air Force pilot with the rank of captain.

The three new commissioners replace Samuel Teague, Harvey D. Heartley and P. R. Latta of Raleigh.

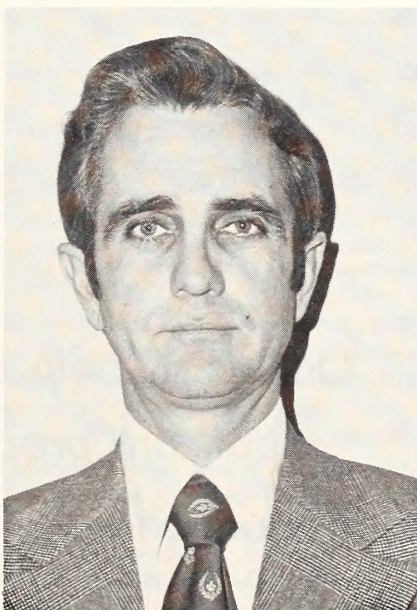
The Commission is composed of seven men appointed by the Governor. Its chairman is a full time State employee.



SMITH



DAVIS



ALLEN

## SPECIAL WEEK NAMED FOR OLDER WORKERS

March 10-16 was Hire the Older Worker Week in North Carolina, proclaimed by Governor Holshouser to give special emphasis to job placement to workers over 40 years old.

Local Employment Security Commission offices across North Carolina stepped up their placement efforts for the over-40 group during the week.

Each year the state recognizes its elder citizens and gives special assistance to older job seekers.

The Federal Age Discrimination in Employment Act prohibits employer discrimination directed to older job applicants if age is the only basis upon which the employer makes his decision.

But the appeal to employers during Hire the Older Worker Week was not founded upon this federal statute. Employment officials, instead, urged employers to hire older people on the basis of ability on the job.

When 40-50 year olds are on the job they are considered by employers as valuable employees, but if they lose their job for some reason, the employers' attitudes seem to change and they become reluctant to consider an applicant if he or she has reached middle age.

According to the supervisor of the Employment Security Commission's older worker employment program, about 35 percent of the number of jobless workers filing claims for unemployment insurance are over 40 years old, indicating the difficulty being experienced by older workers in their search for jobs.

During the last half of 1973, 15 percent of new job applicants at State Employment Offices in North Carolina have come from persons classified as older workers, or over 20,500 individuals.

Slightly over 11 percent of all State Employment Office job placements have been older workers and about 12 percent of the job development contacts have been for older workers.



"Service is the rent we pay for our space on Earth." I believe that this quotation adequately describes the philosophy of the approximately 700 interviewers, counselors, veterans employment representatives, and managers operating our local Employment Security Commission offices located across our great Tar Heel State. Our agency efforts are towards a total manpower service for the displaced older worker, our unemployed youth, the returning Vietnam veteran, the recently unemployed engineer; in fact, our Employment Service is available to anyone—the door is open to all.

To understand the Employment Security Commission's services to the handicapped, I would like to briefly review some of the many components built into the Employment Service system that are designed to assist the unemployed, and the underemployed, (even the qualified secretary) and bring to employers qualified manpower to meet their employment needs.

First, our employment counseling program assists any applicant who has difficulty making a vocational choice, who wants to or must make a vocational change, or who has difficulty adjusting to his world of work. Secondly, aptitude testing is available to assist both the applicant and employer to discover and utilize the individual's potential in employment. Labor market information is compiled on a community and statewide basis to continuously provide such data as the composition of the labor force and projected employment prospects to aid in planning for manpower needs. Training components are available, both institutional and actual job experience, through the Manpower Development and Training Act and the National Alliance of Businessmen.

Our Employer Services unit is available to industry for assistance in resolving problems such as recruitment, screening, training and employee turnover. Our occupational analysts are experienced in modifying and restructuring jobs to allow an employer to maintain his production and meet the needs of potential employees who are limited in the types of tasks that they are able to perform. For employers whose jobs are difficult to fill from a particular local office area, and for applicants who have difficulty locating work in their community and are willing to relocate, our Clearance Placement Program provides a means for a local office to expose these jobs and applicants to other employment security offices throughout the nation. Computerized job listings (called Job

Banks) are available to expose larger segments of our employment-seeking population to employment opportunities, and to increase the available labor market for potential employers. In a nutshell, this is part of a network of activities that make up the Employment Service of the Employment Security Commission.

Each of these activities are directed towards our handicapped applicant and potential employers of the handicapped. During fiscal year 1973, over 18,000 applicants who registered for employment with our agency were recognized as having either a physical, mental, or emotional handicap. Most of these applicants were in need of special, individualized services based on their particular attributes and limitations. These individualized services usually begin with applicant's registration for employment. Our interviewers made a careful appraisal of the applicant's skills, training, education, physical condition, temperament, and aptitudes. If additional information is needed because of the severity of the disability, an employment capacity appraisal is requested from the applicant's medical resource. Usually, based on this initial interview, it is determined whether, because of the applicant's handicap, he will have to modify or change his occupation; if lack of experience, and his disability will restrict his job seeking opportunities; if employers will readily accept him for employment regardless of his disability; if in seeking certain types of employment he will aggravate his disability; or if the supportive services of another agency will improve his employability.

The services rendered from this point largely depend on the applicant's willingness to become *involved* and the local office and community resources available to him. Involvement may include institutional or on-the-job counseling, especially if the applicant must change his occupation. Involvement may be institutional or on the job training, or referral to the Division of Vocational Rehabilitation, the Depart-



**EBERT**

ment of Health, an Alcoholic Information Center, the Veterans Administration, the Division of Services for the Blind, or any community resource that may enhance the applicant's employability.

Our goal is to help the handicapped applicant prepare himself for an equal chance to work for equal pay in competition with the non-disabled. Once the individual has a good idea of what he wants to do and what he can do, he is ready to be considered for job openings. Since many employers list jobs with our local ESC offices, the process of matching our applicant with the available jobs begins. Both the qualifications of the applicant and the requirements of the jobs have been classified and coded according to *The Dictionary of Occupation Titles* to ease the search for jobs in which our applicant might be qualified. In addition, the employer has given us information relative to the work performed, skills and experience needed, wages offered, working hours, physical requirements and working conditions so that the demands of the job can be compared with the capacities of the handicapped applicant.

When a job-applicant match is made, the employment interviewer may pave

See HANDICAPPED, Page 34

**"Our goal...help the handicapped  
applicant prepare himself for  
equal chance to work...equal pay."**

**By HUGH EBERT**

**Supervisor, ESC Handicapped Employment Program**



# REST STOP

They were paraplegics. One was an acquaintance, honored several years ago by the Governor's Committee on Employment of the Handicapped as North Carolina's outstanding handicapped worker—a stocky, 200-pounder, handsome in a light blue business suit and tie. The other was a slight man in his late 20's, dressed in dark, and the trousers covered his lower limbs in folds. His feet were pidgeon-toed on the steps on his wheelchair. After a long morning session of an annual employment of the handicapped meeting at a local motel, the two men (call them Jim and Ray) were looking for a restroom.

"Heck, yeah," said Hugh. "Come on up to my room." The four of us rolled and strolled across the parking lot to the elevator. The motel had constructed a small ramp from the lot to the curb so maids could roll dirty clothes hampers to the laundry, and Ray and Jim scooted up it to the elevator hall.

On the third floor, Ray spun his wheelchair off the elevator and wheeled briskly toward Hugh's room. "Man," he said, "hurry up and open that door."

Just inside the bedroom door from the hall was the bathroom enclosure, but the cubicle entering the bedroom was so small that Ray could only move the wheelchair forward or backward through it. Even if he could turn the chair the bathroom door was too narrow to accommodate it. "Awww," he exclaimed, "we can't get in there."

Ray sat there looking at the commode only a few feet away, his hands on his wheels.

"I'll call the desk and find us a bigger bathroom," said Hugh. The young lady at the desk said call the manager. The manager said he would look around.

"This is the damndest thing," I said.

"It's like this everywhere we go," Ray replied. "You almost get used to it." Jim was silent. "He's never spent a day of his life in school 'cause he couldn't get in," Ray said of his companion. "But he's taught himself to read and write and now he's studying for his GED."

Jim grinned. "Takes some determination."

"He also drives our bus," Ray continued. "It's operated entirely by hand. We got it with VR money and it has an elevator on the back of it to lift

wheelchairs."

The phone rang and Hugh answered it. He said the manager of the motel wanted to know how wide was the wheelchair.

"Twenty-six and three-quarter inches," Ray said.

"Twenty-six and three-quarter inches," Hugh told the manager.

Jim laughed. "I can see him running all over the place with a tape measure."

In about five minutes the manager called again, said the motel didn't have a bathroom big enough to accomodate a wheelchair and that he was sorry.

"What do we do now?" I asked.

"Ray," Hugh said, "you and Jim come on into the room. There's a wastebasket in here you can use. We'll go next door and give you all the privacy you need."

Next door I told Hugh it seemed crazy for a motel this size not to have a

toilet big enough for a guy in a wheelchair.

Hugh said it wasn't unusual. "There's hardly a hotel or motel in the State—unless it's a new one—that has a head big enough or wide enough for a handicapped person to use.

"But," he explained, "it's against the law now." He alluded to an act passed by the General Assembly two sessions ago requiring new construction in public buildings to provide access to the handicapped and the elimination of architectural barriers. Ramps must be provided for entrance and exit and a toilet must be constructed with special apparatus so paraplegics and other persons with prosthetics can use it unassisted.

A few moments passed. Then Ray opened the door separating the two bedrooms. "Need a little help."

Hugh took the wastebasket to the bathroom, then rinsed it under the shower and the four of us returned to the meeting room which was beng set up for lunch.

"Man, I feel like eating," Ray exclaimed.



The event described here occurred at one of the largest motels in Fayetteville, N.C. The storied facility had wall-to-wall carpet, color television, sliding glass doors and was fashionably and expertly decorated. In short, it provided the type of outstanding accommodations the traveling public now takes for granted.

Accommodating, yes, except to one group of people, America's most suppressed minority—the handicapped. There are hundreds of thousands of paraplegics in the United States, yet

[we estimate] over 90 percent of the nation's public buildings are constructed as if the wheelchair didn't exist, and the simplest, most routine tasks of everyday life become obstacles to the man or woman hampered by wheelchairs and harnessed by prosthetics.

In the case of the Fayetteville motel, the installation of two-inch larger door jambs in its bathrooms—a simple change by the architect—would have eliminated the problem encountered by Ray and Jim. —EDITOR



# NEW MANAGERS NAMED TO ESC LOCAL OFFICES

ESC retirements and promotions in recent months have caused changes in local office management across the State.

And there were some transfers, too. When Davis Nichols retired as manager of the Spruce Pine local office after 34 years with the agency, Jim Acuff transferred from Monroe to take over the mountain office.

So Joseph E. Davis, Jr., was promoted to manager of the Monroe office. A 1970 East Carolina graduate, Davis spent four years as a radio intercept analyst in the Air Force before going to work for the ESC in Ahoskie as an interviewer. He later became a veterans employment representative in Ahoskie and then in Winston-Salem. He came to the ESC central office in 1972 as an occupational analyst and was promoted to Monroe manager in February, 1974. He was a sociology and psychology major at East Carolina.

When Hugh Cashion retired at the end of the year as coordinator of manpower programs with the ESC, he left a vacancy in the central office which was filled by Melvin Starnes, Greensboro local office manager.

Subsequently Don Kelsey moved from the smaller Reidsville local to become Greensboro manager, and his place was taken by a former stenographer in Reidsville, Mrs. Emma N. Hooper. Mrs. Hooper, a native of Reidsville, joined the office there in 1958. From 1961 until her recent promotion she served in the Reidsville office as an employment interviewer.

Mrs. Alice Bond was named manager of the Edenton local office in the early part of 1973. She joined the agency in 1943 as a stenographer and two years later transferred to Elizabeth City where she worked as a secretary for claims and appeals deputies. In 1946 she went to Edenton. After an eight-year absence from the agency, she rejoined the Edenton office in 1960, and was promoted to manager of the Edenton office in 1973.

Mrs. Bond has three offspring, ages 20, 17, and 14.



**ALLEN**



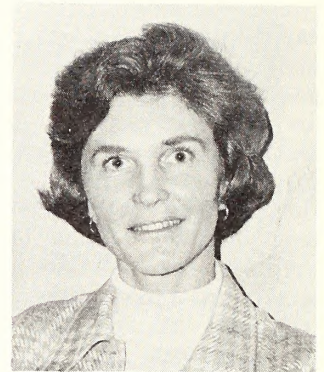
**BOND**



**KYLES**



**MUENCH**



**HOOPER**



**WALLACE**

When David Johnson moved from managership of the Lenoir office and replaced John Taylor, another retiree, as Mt. Airy manager, Betty Allen became Johnson's replacement. A 1957 graduate of Wake Forest College, she is a native of Caldwell County and was choir director of a Lenoir church for seven years. Later a church secretary, she joined the local ESC office in 1968 as an interviewer. Mother of two children, ages 13 and 11, she is a member of the Board of Directors of Blue Ridge Community Action Agency and continues to be active in local parent-teachers association and church affairs.

Mrs. Viola Billings retired as manager of the Goldsboro office at the end of last year and her replacement is James H. Wallace, an interviewer in Lumberton before his promotion to Goldsboro. Wallace is a military service retiree, having 20 years in the Air Force, and he joined the ESC in 1970 as an interviewer. His assignment to Goldsboro was effective January 1.

January 1 was also the effective promotion date of Lewis L. Kyles, who became manager of the North Wilkesboro ESC office when Troy Perry, 29 years with the agency,

retired. Kyles is a 1954 graduate of Lenoir-Rhyne College in Hickory. He received his BD degree in religion from Lutheran seminary, Columbia, S.C., in 1957. For 10 years he was a Lutheran pastor and was engaged in youth work. He then joined the Charlotte local Employment Security Commission office as an employment counselor. In 1969 he transferred to the central office as a counselor, then became a representative in Manpower Development and Training work.

The promotion to area supervisor of James Knight last year resulted in a promotion for one of his Wilmington LO staff members. William A. Muench, another Air Force retiree, replaced Knight as Wilmington manager in August. Muench came to work for the ESC in 1964 as an interviewer. He subsequently was promoted through the interviewer ranks and became veterans employment representative in 1969, all of his service being in Wilmington.



**"A basic responsibility of Management  
...is to insure that each employee...  
has the knowledge and skill to perform  
his job according to requirements."**

By IRMA JOHNSON

The Office of Evaluation and Training is one of the four staff services which comprise the Commission's Division of Administrative Services. The purpose of evaluation and training is to develop and maintain efficiency in management and operations and in employee work performance throughout the Agency.

As the name implies, the purpose is achieved through analysis and appraisal of management and operations and employee work performance, and through on-job training and formal training programs which are designed and administered for management and operating staff.

Periodically, Evaluation and Training specialists review the management and operating functions and employee work performance of the administrative and technical services in the State office and in each of the local offices. The specialist applies standardized appraisal leads and controls to determine what is being accomplished in both quality and quantity in each function under review. He then measures his finds by comparing them with established operating plans, patterns, and procedures, and isolates any prevailing deficiencies and their causes.

The specialist recommends corrective action to remove inadequacies and to increase efficiency in the areas involved. Recommendations may be made to improve premises and layout; management planning, organizing, directing, coordinating and controlling the organizational component; employment promotion, and public relations. In operations, recommendations may be made to modify work methods and techniques employed by staff members or to provide staff training to remove deficiencies caused by lack of knowledge and skill in applying procedures.

While a review is in progress, the specialist utilizes the established methods of evaluation, choosing the method most appropriate to help him

discover what he needs to know about the area of work involved.

The direct observation method is used particularly in evaluating functions, such as claims interviewing and reception. Using standardized controls and appraisal leads, the specialist observes and listens to the interviewer while he takes claims, or to the receptionist while she performs her duties.

Through direct observation the specialist can determine the manner, expressed attitude, courtesy, and suitability of language used by the staff member, as well as his knowledge of policies, programs, and procedures; his work habits, methods and techniques, and working speed.

By reviewing work products, such as employment applications, employer orders, operation reports, and copies of correspondence, the specialist isolates such factors as legibility and neatness, completeness and clarity of entries, accuracy and relevancy of data, and adherence to standards.

Activities which can be expressed in numbers lend to evaluation by the statistical method. Such activities include the volume of work accomplished in a given period; percentages of goals achieved; productivity of individuals, units, or sections, and time spent in different functions.

The specialist is ever mindful that statistics can tell him *how much* is being accomplished and provide clues as to *why*, but statistics seldom indicate *how well* an activity is being accomplished.

Through interrogation—that is, discussion and questions—the specialist isolates facts that otherwise are not readily discernible. Through this method the specialist can gather factual information about an employee's knowledge and interpretation of policies, programs, and procedures; his attitude toward his work, the organization and its purposes; his problems and difficulties; his response

to supervision, and his reaction to staff training programs.

Personal participation is the method least utilized in evaluation. However, on occasion, particularly in areas such as file set-up and maintenance of directives and procedures, the specialist actually participates in the activity. Through participation, he can evaluate the efficiency of methods and techniques employed, the availability and use of equipment and tools, and the pressures and difficulties involved in performing the activity. He can determine also the validity of established procedure standards.

While the review is in progress, the specialist works very closely with staff members. As he reviews their work, he points out and discusses inadequacies and deficiencies, frequently finding areas of misunderstanding, or lack of adequate knowledge and skill in performing tasks assigned.

The specialist takes immediate corrective action by providing on-job training to remove deficiencies in employee understanding, knowledge or skills. If a deficiency in knowledge or understanding is widespread, the specialist prepares needed materials, schedules, and conducts formal training to ensure adequate staff knowledge and understanding of the policies or procedures involved.

When the specialist completes his research and analysis, he evaluates his total findings. He then reviews his findings and evaluations with the management personnel of the organizational component under review. The specialist carefully considers any extenuating circumstances which may have influenced performance in a given area and evaluates the degree of influence. Extenuating circumstances might be a recent change in management or supervisory staff, unusual staff turnover, lengthy absence of a staff member, or unforeseen economic fluctuations which may have affected quantitative achievements. As the discussion





The former supervisor, Irma C. Johnson, was the Commission's oldest employee in length of service until her retirement on November 30, 1973. Miss Johnson began her career on April 1, 1933, under the old Federal-State Employment Service in the State Department of Labor, after graduating from Duke University and completing secretarial training at a Raleigh business school. She was appointed interviewer and opened the Raleigh Local Office of the National Reemployment Service on August 8, 1933. She recalls that, "Conditions were fairly primitive at that time. We opened the Raleigh office on a dirt floor." She was promoted to the State office on December 1, 1941, as training technician, transferred with the Employment Service Division to the War Manpower Administration on January 1, 1942, and returned to the Commission as Training Supervisor on July 8, 1942. Miss Johnson was appointed Evaluation and Training Supervisor for the Commission on November 1, 1949, after the evaluation and training functions were consolidated.

In addition to her work career, Miss Johnson has reared two nephews. The oldest, Randy, completed his graduate degree at UNC and teaches in California. Joe completed his doctorate at Georgia State University and teaches at UNC at Greensboro.

In her own words, "The statute of limitations caught me," and Miss Johnson retired under the recent rulling of the State Personnel Board. She plans to spend the first year of retirement in travel. After that, she has several projects in mind, one being possibly returning to graduate school. One suspects, however, that a good deal of her time will be spent with her five "grandchildren."

progresses, the specialist points out areas that need corrective action and recommends specific actions to be taken.

Finally, the specialist prepares a written report of the review. In the report he attempts to highlight any outstanding achievements in management and operations and to pinpoint deficiencies, as well as their causes. The specialist includes in the report the specific actions which he recommended to management prior to leaving the site of the review.

An action recommended may or may not be taken for the reason that, after further deliberation, the manager or supervisor may decide on other action which he deems more feasible. In any case, whatever corrective action is taken is included in the written reply which the manager or supervisor submits to the various levels of line supervision in response to the specialist's formal report.

In addition to the more formal aspects of the job, Evaluation and Training specialists function in other informal—but none-the-less important—ways. The specialists serve as an important communications link between administrative and operating staff. This link proves especially valuable between operating staff and special services program personnel. Many operating problems and/or questions can be presented and resolved on an informal basis, thus precluding the necessity of a time-consuming formal request through administrative channels.

The specialist is in a favorable position to determine whether policies, procedures, and directives actually work in practical application. As could be expected in any organization, at times a gap develops between the intent of policies, procedures, and directives issued by administrative staff and their practical effect at local levels when applied by operating staff. The Evaluation and Training staff, through observation and discussion, can isolate these gaps and report their existence for corrective measures. This "feedback" process is of particular value since it is gathered from many components of the organization.

Another important, though informal, function served by Evaluation and Training staff members stems from their lack of line authority. As a representative of the administrative office without line authority, the specialist can be viewed by operating staff as an opportunity to candidly express opinions and offer suggestions for improvements in operations.

A fourth informal way the specialist

functions is to propagate to other offices successful techniques and methods observed in individual offices. This exchange of ideas is especially meaningful because the assignments of the specialists cross administrative area lines, thus providing operating staff in different administrative areas with an opportunity to take advantage of differing expertise.

Staff training per se is the planned development of employee knowledge, skill, attitude, and will to work. The term "development," as used in this definition, means "to bring about by a gradual and consistent process." Stated quite simply, the purpose of training is to bring employee work performance to desired efficiency standards and to maintain performance efficiency at standard levels.

Since its beginning, the Employment Security Commission has recognized staff training as an obligation of management. A statement of policy issued in 1942 formally expressed that recognition. The statement of policy was revised and reissued in 1970 in an administrative bulletin. The bulletin sets forth the Agency policy concerning training:

**"A basic responsibility of Management in an organization is to ensure that each employee of the organization, whether supervisory or non-supervisory, technical, professional, or clerical, understands the performance requirements of his job, and has the knowledge and skill needed to perform his job according to requirements."**

As a matter of record, the Commission's staffing plan has included the position of Training Supervisor since July 1, 1938. During the 1949 reorganization of staff services, the title of the position was changed to Evaluation and Training Supervisor to include responsibility for the analysis and appraisal systems which had been inaugurated in both the ES and UI divisions during World War II.

Responsibility for planning, organizing, directing, coordinating, and controlling the Agency-wide training program is delegated to the Evaluation and Training Supervisor. In addition, the Supervisor manages the Office of Evaluation and Training, and supervises the evaluation and training staff engaged in both the evaluation and training functions.

To staff the training function, specialists are rotated between the appraisal program and the training program. During the period of rotation, the specialist who is on rotation devotes full-time to training and to technical work related to appraisal.



Staff training is categorized broadly as formal or on-job training. Formal training usually is administered for groups of employees, requires preparation of training units, or similar materials, and special schedules of dates and location. On-job training, as the name implies, is conducted by explaining and demonstrating applicable methods and techniques while the employee is actually performing his job.

For budget purposes, formal training is designated as inservice or outservice training.

Inservice training is conducted by staff members of the organization for its employees. The cost of the training is included in the operating budget of the program of service in which the employee is being trained.

To save time and to ensure needed uniformity, certain formal inservice training, such as orientation, induction, and counselor training, is planned and administered as a part of the continuing Agency-wide training program.

The Evaluation and Training staff prepares and administers some inservice training in its entirety, and assists the supervisors of special programs in preparing materials and administering training in their various programs. If the training is for management, staff, or technical personnel, the Supervisor participates in researching for and preparing a suitable training unit, and conducts or assists in conducting the training.

Outservice training may be individual academic or skill training courses, short courses, institutes, or seminars, conducted by an accredited educational institution, a professional society, private organization, or another governmental organization in North

Carolina or out-of-state. The administrative grant includes special funds for the training, and for training equipment and supplies.

The Evaluation and Training Supervisor prepares the training plan and budget which are included in the annual budget request for administrative funds, maintains control of expenditures, and approves all payments charged to the training budget.

After the training plan and budget have been approved, the Evaluation and Training Supervisor organizes, directs, coordinates, and controls implementation of the plan. Implementation requires executing contracts, when necessary, with appropriate training facilities, assisting coordinators and faculty staffs in planning and designing the content of the training, notifying supervisors and their participant employees of schedules, attending opening sessions of training, and maintaining close liaison with the students, facility coordinators, and instructors.

The Evaluation and Training Supervisor controls the Commission training program by isolating strengths and weaknesses in training, identifying areas of over- or under-emphasis, maintaining balance between appropriations and expenditures, and taking indicated preventive and corrective action. Periodic reports of training activity are prepared and sent to the Commission Chairman, the Directors, and to the Manpower Administration.

The Evaluation and Training staff provides a counseling service for career employees. The service includes exploring the employee's interests, appraising his knowledge and skills, and providing information about training facilities and available finan-

cial resources. After the employee decides on a career direction, the Evaluation and Training Supervisor assists in developing a plan to initiate action and to continue progress toward the employee's desired goal. The office maintains the Commission's reference library.

The Evaluation and Training staff includes the supervisor, six specialists, and the secretary.

The Evaluation and Training specialists are Reuben Edwards, Jr., who has been with the Commission since 1957, and in his present position since 1969; M. Jane Gay, with the Agency since 1950, and in her present position since 1961; Hal B. Jaynes, who joined the Commission staff in 1946, after discharge from military duty, and moved into his present position in 1947; N. Grace Kennedy, a Commission employee since 1964, and recently transferred to her present position; W. Howard Phillips, Jr., employed as a local office counselor in 1970, and promoted to his present position in 1971; and Robert H. Sawyer, with the Commission since 1961, and in his present position since 1967.

Mr. Jaynes is outstationed at Lenoir. The other specialists are headquartered in the State office.

Completing the staff of the Office of Evaluation and Training is Mrs. Eleanor H. Garner. She has been with the Commission since 1947, except for a two-and-one-half year leave of absence.

## CLYBURN APPOINTED E & T SUPERVISOR

Jim Clyburn presently represents the Employment Security Commission as Evaluation and Training Supervisor. He has been with the Commission since June 17, 1959, when he was appointed Employment Interviewer in Asheboro.

Clyburn served in the U.S. Air Force from 1951-1955. Following his service, he attended the University of South Carolina in Columbia, graduating with an AB in Psychology in 1958.

Clyburn was promoted to the position of Employment Counselor in Charlotte in 1961. He moved to Raleigh to become a Labor Market Analyst in 1962. In 1965 he was again promoted to Evaluation and Training Specialist. Beginning in 1970, he held the title of Systems and Procedures Analyst until promoted to his present position as Evaluation and Training Supervisor in 1973.



Members of the Evaluation and Training Unit when the article was written include [L to R]: Eleanor Garner, Grace Kennedy and Jane Gay. Back row [L to R]: Reuben Edwards, Hal Haynes, Howard Phillips and Bob Foster.



# UNIT REVIEWS REPORTS, DEPOSITS \$ MILLIONS

By HENRY HEARN  
ESC Cashier and Contributions Unit

The Cashier and Contributions Delinquency Control Unit of the Employment Security Commission receives, safeguards and deposits all money received by the agency for all purposes (except those related to the UI Administrative Fund) as quickly as possible—normally in a day or two. To accomplish this, fiscal records must be maintained to account for and control the money received. Through September of 1973, this unit has deposited in excess of \$50.1 million.

The second function of the unit is to review approximately 90,000 quarterly reports from employers, insuring that payments submitted agree with the contributions due on the reports, and that total wages listed agree with the wage records as reported for all employees. Reports received with proper remittance are processed as promptly as possible and the Delinquency Control Unit of the Data Processing Department is advised daily of their receipt.

Employers submitting reports without payments are issued notices for demand and payment which expire 10 days from date of issue. In case the notice is ignored, a judgement is docketed and an execution is issued for immediate service and collection.

The unit also cooperates with the Wage Records and Delinquency Control unit of the Data Processing Department, which identifies employers who are delinquent in submitting reports. This unit requests the Field Representative Unit to obtain the needed reports and collect, if possible. The assistance of other state agencies is requested in obtaining the required reports and/or collections from out-of-state employers. If employers fail to submit reports as requested after being advised twice (once by certified letter) that the reports are delinquent, this unit institutes action to prosecute for "failure to submit reports" as required by the Employment Security Law.

This unit handles payment agreement plans which allow employers to pay past due accounts over a period of 180 days when it is requested and approved. In the event an employer is delinquent in payment of contributions for three quarters, or \$300, and is still operating, the case is referred to the

Legal Department for injunction proceedings.

For an example of the work of this unit, let us look at the process involved in preparing a typical rush period deposit. When approximately 3,000 reports have been opened, they are checked for over or under payments and sorted into three groups—high, low and 90's. Then these reports must be set up in numerical order by industry number, county number and individual account number. They are then ready for the bookkeeping machine operators to begin the deposit.

Each deposit requires a team of four. The first operator has to see that the amount of the check matches the amount of contributions shown on the report, that the check is not postdated and is made payable to the



HEARN

Employment Security Commission, that the numerical amount and the written amount agree, and that it is signed. If the check is in order, the amount of contributions on the report is red checked, indicating that the amount checked and the amount of the check agree.

The second operator lists the check on the deposit sheet on a bookkeeping machine which imprints a serial number on the check. When approximately 50 reports and checks have been processed, a total for the sheet is taken and then the third operator takes over.

On a transmittal sheet the quarter and year is printed, the same serial number that operator two has imprinted on the check, the account number, the amount of taxable wages and the contributions as red checked

by operator one and listed on the listing sheet by operator two. When operator three has listed the same number of reports that operator two has listed, a total is taken.

Operator four then takes over and if the amount of contributions as shown by operators two and three agree, the amount is put on a summary sheet. Should they not agree, the error is located and corrected and the regular routine followed.

When all reports for the deposit have been processed, operator four takes a grand total from the summary sheet, which should agree with the amount of contributions as listed by operator two on the check listing or deposit tickets. If the two figures do not agree, the error is located, corrected, and the deposit is ready to be forwarded to the bank.

Although relatively small in personnel, the Cashier and Delinquency Control Unit of the Unemployment Insurance Division plays a vital role in the operation of the Employment Security Commission.

## INSURED WORKERS AVERAGE \$133.25

The average weekly wage paid all workers in North Carolina covered by unemployment insurance in the third quarter of 1973 was \$133.25, and total wages during the three-month period exceeded \$3 billion.

Total wages increased by 13 percent over the same quarter in 1972.

Taken from quarter wage and employment data submitted by employers to the Employment Security Commission, the report showed that the highest average wages were earned by paper and allied products workers. This figure was \$188.07. Transportation, commerce and utilities workers earned \$184 during the third quarter.

Employers in Forsyth County paid their workers the highest average wage during the reporting period. This figure was a penny over \$164. They were followed by workers in Mecklenburg County with average weekly wages of \$161.37.

Employment in all industries except apparel, food products and tobacco increased over the year.



# MOST CIVIL SERVANTS COVERED BY JOBLESS INSURANCE

By NOAH JONES  
ESC UCFE Unit

Public Law 89-554, approved September 6, 1966, enacted title 5, U.S. Code, under the heading "Government Organization and Employees," and amended other Code titles as necessary to codify laws relating to the organization of the Government of the United States and to its civilian officers and employees.

As part of that codification, Title XV of the Social Security Act formerly codified (for reference purposes, although not by Public Law) as section 1361-1371 subchapter XV, title 42, U.S. Code was recodified, except for section 1508 (a) of the Social Security Act relating to the fraudulent claiming of UCFE-UCX benefits, as chapter 85, title 5, of the U.S. Code.

Most federal government employees are covered by this Law, which provides unemployment compensation for separated federal civilian employees (UCFE) under subchapter I, sections 8501 through 8508. Chapter 85, title 5, is administered by the United States Department of Labor. For the sake of clarity and for UCFE purposes, the Secretary of Labor has defined "Federal civilian employee" as an individual who has performed "Federal service," and "Federal service" as service performed after 1952 in the employ of the United States or an instrumentality of the United States which is wholly or partially owned by the United States. Except for members of the Armed Forces, who are covered under subchapter II of chapter 85, title 5, a small minority of government workers are not covered under this Act; however, some of these employees receive special separation allowances under other laws. Elective officials, Foreign Service personnel, individuals employed outside the United States, the Commonwealth of Puerto Rico and the Virgin Islands who are not citizens of the United States, individuals excluded by regulations of the Civil Service Commission because they are paid on a contract or fee basis, individuals receiving \$12 or less per year, patients or inmates of a hospital, home, or other institution of the United States, and individuals employed under a federal relief program to relieve them from unemployment, constitute most of the federal government workers not covered under this Act.

The Secretary of Labor on behalf of

the United States has entered into an agreement with the Employment Security Commission of North Carolina as the agency administering the unemployment compensation law in North Carolina. Under the agreement, the State pays, as agent of the United States, compensation under this subchapter to federal employees, and otherwise cooperates with the Secretary and with other state agencies in paying compensation under this subchapter. The agreement provides that compensation will be paid by the State to a federal employee in the same manner, on the same terms and subject to the same conditions as the compensation which would be payable to him under the Employment Security Law of North Carolina, if his federal service and wages assigned under section 8504 of this title to the State had been included as employment and wages under the North Carolina Law.

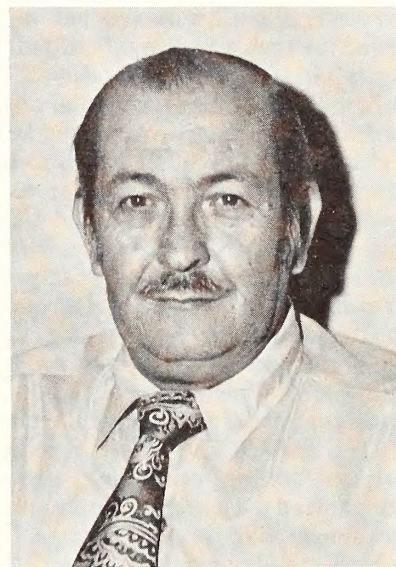
A determination by the State agency with respect to entitlement to compensation under this agreement is subject to review in the same manner and to the same extent as determinations under State law, and only in that manner and to that extent.

Under the UCFE Program, North Carolina is entitled to be paid by the United States an amount equal to the additional cost to the State of payments of compensation in accordance with the agreement which would not have been made by the State but for the agreement. The State is paid either in advance or by way of reimbursement as is determined by the Secretary of Labor, the sum that the Secretary estimates the State is entitled to receive under this subchapter for each calendar month. The Secretary from time to time certifies to the Secretary of the Treasury the sum payable to this State under this section. The Secretary of the Treasury pays the State in accordance with the certification from the funds for carrying out the purposes of the subchapter.

With the exception of the method for securing wage information, the provisions of the Employment Security Law of North Carolina governing the processing of claims, including base period and benefit year concepts, are entirely applicable to UCFE claims filed against North Carolina. UCFE

claims may be combined with UI and/or UCX (Unemployment Insurance and/or Unemployment Compensation, Ex-servicemen). UCFE claims may be filed intrastate, interstate, or under the Interstate Arrangement for Combining Employment and Wages.

A special unit in the Claims Department in the central office of the Employment Security Commission, designated the UCFE-X Unit, processes all UCFE claims against North Carolina. The Unit itself is unique in that it is in effect a miniature Claims Department within itself, performing all the functions of all the other units in the Claims Department, with the exception of the MDTA Unit, the Employer Benefit Charging Unit, and the Claims Deputy Unit. Some of these functions are: answering correspondence from and initiating correspondence with local offices, claimants, federal agencies, other states, and the general public;



JONES

processing all interstate claims for UCFE filed against North Carolina; processing combined-wage claims whenever UCFE wages are to be assigned to North Carolina and either used by North Carolina or transferred to another state; determining overpayments and underpayments of UCFE benefits; processing liquidations of overpayments with eligible claims and/or cash refunds, and making necessary adjustments for underpayments; examining, reviewing, and determining cases pertaining to fraudulent receipt



of UCFE benefits; and preparing fraud cases for hearings and legal action.

In addition to these duties, upon determining the genuine need for, or upon request of a federal agency, arrangements are made for the supervisor of the UCFE-X Unit to visit the federal agency's payroll office for the purpose of discussing, advising, or instructing the federal agency so as to enable the federal agency to more efficiently discharge its responsibilities in the UCFE Program.

Let me digress momentarily. Without any intention or desire to encroach in the area of authority of the Employment Service Division, especially in the local offices and the Training and Evaluation Section of that division, I submit that it would be mutually advantageous to both the Employment Service Division and the UI Division if a regular program of such visits to the local office claims sections could be initiated, whereby a designated employee from the central office Claims Department who is thoroughly familiar with all types of claims would visit the local offices for meetings with the local office personnel engaged in claims taking. Ideally, the visits would be initiated at the request of the local office managers, the Evaluation and Training Supervisor, or upon a determination of the need for such a visit by the Chief of Benefits and/or Assistant Chief of Benefits. Without any prior planning, one such meeting has already been held and although the meeting was strictly an impromptu affair and, as far as I know, unprecedented, UCFE and UCX claims received from that local office immediately afterward plainly showed the results I had hoped for. During a visit to a federal agency for the above-stated purposes, I was accompanied by the manager of the local office in that area. Since several claims for UCFE and UCX had been received from that office containing errors which showed a lack of understanding in certain areas of the UCFE and UCX Programs, and having finished the federal agency visit early, I remarked to the manager that since I was in the area and had time, I would be happy to answer any questions the local office personnel might have with respect to UCFE and UCX claims if the idea was acceptable to the manager. The idea was received with enthusiasm and a meeting attended by the entire local office staff was held. For an hour and fifteen minutes, I answered questions as fast as I could talk. There were expressions of appreciation from all participants and all personnel professed to having a better understanding of these programs, and claims

received after the meeting showed a marked improvement and a better understanding of the UCFE and UCX Programs.

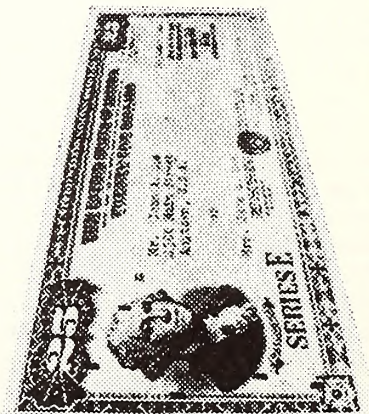
When an individual files a claim for UCFE, his federal service and federal wages are assigned to the state in which he had his last official station in federal service before the filing of his first claim for compensation for the benefit year. However, if at the time of filing his first claim, he resides in another state in which he performed, after the termination of his federal service, service covered under the unemployment compensation law of the other state, his federal service and federal wages are assigned to the other state; if his last official station in federal service before filing his first claim was outside the United States, his federal service and federal wages are assigned to the state in which he resides at the time he files his first claim. When a UCFE claim is filed in the local office, the local office tentatively determines the proper state to which the claimant's UCFE wages should be assigned. If it is determined that North Carolina is the proper state of assignment, a Federal Form ES-931 is mailed to the federal agency for which he worked, requesting a statement of the wages which the federal agency paid him during the base period applicable to his claim. That form also requests the reason for his separation. The Federal agency's statement with respect to the reason for separation is final and conclusive regardless of what the claimant may say, unless changed or modified by the federal payroll office.

When the UCFE claim has been taken, the local office forwards all claim documents to the UCFE Unit in the Claims Department for processing. To try to go into all the details of processing the claims in the central office would serve no useful purpose. However, to demonstrate the worth of the UCFE Program and the service afforded federal employees in North Carolina, during the 1970-1972 biennium, unemployed federal civilian workers eligible under only the UCFE Program filed 4,748 initial claims and claimed 42,624 unemployed weeks. These figures do not include UCFE claims filed in combination with UI and/or UCX, nor do they include additional initial claims filed. The total UCFE disbursements for the Biennium amounted to \$1,681,565.

Job security is one of the highest goals of all American workers, and the knowledge that, in times of economic insecurity due to unemployment, he can turn to a sound and effective

program of unemployment compensation to spread and lighten the burden which sometimes falls with crushing force upon the noncovered unemployed worker and his family is not the least contributor to that feeling of security. The UCFE Program is such a program for federal workers. However, it occurs to me that, in view of the job security afforded almost all segments of the work force in North Carolina under one unemployment compensation program or another, some of these most recently covered being State Hospital employees and employers of State institutions of higher education, it is high time our Legislature gave urgent consideration to extending this type of job security to yet another segment of workers who are just as competent and just as deserving as any other group. This group is none other than the dedicated employees of the State of North Carolina. As of October, 1972, there were approximately twice as many State employees (76,750) as there were federal employees (39,180) in North Carolina. I would certainly hope and trust that, as a member of this group, I would never be forced to avail myself of the benefits under such a program, but it certainly would be comforting to know it was there if needed.

## Bonds are for building.



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TO PROVIDE ESTIMATES OF CURRENT AND FUTURE  
EMPLOYMENT BY OCCUPATION AND INDUSTRY . . . SO STATE  
CAN DIRECT INTELLIGENT CAREER PLANNING

# COMMISSION STUDIES FUTURE JOB NEEDS IN NORTH CAROLINA

By ALTON WELLS  
ESC Bureau of Employment Security Research

In August the Bureau of Employment Security Research mailed Occupational Employment Statistics questionnaires to 4,842 North Carolina firms in nonmanufacturing industries. The forms listed the major occupations for the industry of the establishment. A brief definition of each occupation was included. Employers were asked to report their employment for each occupation listed and to report their employment for other occupations which are numerically important in their operation or require substantial training.

So far, the response has been very good. A second request was mailed to firms that had not replied, and a third request mailed to those who had not replied in six weeks. Data for some firms was being obtained by telephone. Other firms required a personal visit. Participation in the program is voluntary.

The OES survey results will be used to develop current estimates of occupational employment by industry. Employment data will be cross-classified by industry and occupation to form a matrix. This is a table showing the percent distribution of the industry wage and salary employment by occupational grouping. The matrix will be used to convert industry employment projections to occupational projections. The matrix will be updated every few years as new OES data show changing staffing patterns.

## What is the Purpose of the OES Program?

The goal of the OES program is to provide estimates of current and future employment by occupation and industry. Vocational counselors need this data for intelligent career planning. Students want to know which skills will be needed when they are old

enough to enter the labor force. Educators are constantly asking for occupational employment data for curriculum planning. Federal legislation requires that education and training plans take into consideration occupational employment opportunities. We receive many requests from the Department of Defense for data which will help veterans return to civilian jobs. As the State employment security agencies were given the major role in the development of these data, we are required to respond to an ever increasing number of requests for information on current and projected occupational employment from both public and private organizations.

## Occupational Data is Scarce

During the 1960's the Bureau of Employment Security Research conducted skill surveys to evaluate job opportunities in relation to available labor supply in selected occupations. Employers were asked to estimate their future needs for workers in these occupations. These surveys were very expensive, had a limited validity period, and the number of occupations included in the studies were limited. So preparation of skill surveys has been discontinued by the Employment Security Commission.

In 1969 the Bureau of Labor Statistics published a four-volume bulletin entitled "Tomorrow's Manpower Needs." This publication contained national occupational and industrial employment data and provided techniques for their use in developing projections of occupational requirements at the State or local area level. Using these techniques, the Bureau of Employment Security Research published "North Carolina Manpower Needs by Industry and

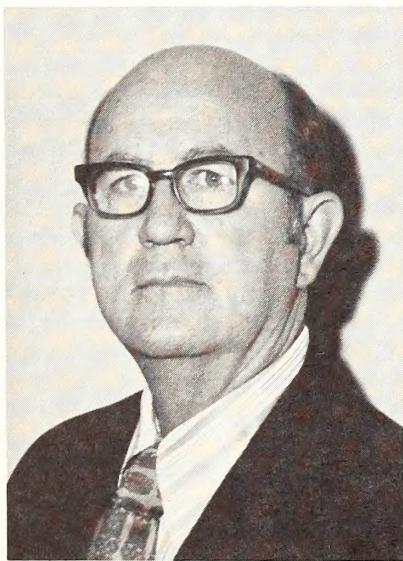


Occupation to 1975" and the updated version "North Carolina Manpower Projections to 1980." More than 40 states have published similar reports.

Since there is very little historical data on occupational employment, the Bureau of Labor Statistics' technique relied on finding the trend of industry employment and converting this to occupational data through the use of an industry-occupation matrix. We have extensive industry data which has been compiled from unemployment insurance records. The chief missing element was a matrix for the State of North Carolina. We were using a national matrix.

### The North Carolina Matrix

In 1970, the Bureau of Labor Statistics together with the Manpower Administration and a number of State Employment Security agencies launched the Occupational Employment Statistics program, which included a mail survey seeking to provide data for state industry-occupation matrices. The Bureau of



WELLS

Labor Statistics designs survey forms which include all nonagricultural industries and all important occupational groups. The Bureau of Labor Statistics is also responsible for providing technical assistance to state agencies. A survey was conducted in manufacturing before North Carolina joined the program. We entered the program with the nonmanufacturing survey. In late 1973 we surveyed trade and government, and we will survey manufacturing jobs in 1974. This is a continuing program which will survey manufacturing and nonmanufacturing in alternate years. A matrix for North Carolina will be constructed from this data.

### Employment Security Activities

The Employment Security Commission of North Carolina is responsible for the following activities in the OES program.

#### A. Pre-survey Activity:

1. Pretest occupational lists and definitions. The pretest involves visiting a sample group of establishments to solicit, among other things, opinions or comments on data collection problems, the adequacy and pertinency of job lists and definitions, the optimum frequency of reporting.

2. Design and draw a sample in

accordance with standards and guidelines provided by the Bureau of Labor Statistics.

3. Prepare procedures to print labels for mailing and industry description.

4. Produce a mailing list of sample units, code it and correct it.

5. Prepare a computer program to establish a micro data file and produce estimates from this file.

#### B. Mailing:

1. Assemble mailing material into packages for mailout. Stuff envelopes.

See OES, Page 27

## CETA New Manpower Program

On December 28, President Nixon signed into law the Comprehensive Employment and Training Act, calling it "one of the finest pieces of legislation to come to my desk this year."

The new law became effective immediately.

It is the latest of a number of manpower bills to come on the employment scene since the early 1960's.

Incorporating special revenue sharing, the Comprehensive Employment and Training Act authorizes block grants to state and local governments for a wide array of manpower services tailored to community needs.

The Act is an open-ended authority for such funds as may be necessary to carry out the Act in fiscal year 1974 and for three succeeding fiscal years. Of the funds to be appropriated from the Federal government, 20 percent is to be for national employment activities and the rest for distribution to prime sponsors.

Prime sponsors are the states and approximately 450 cities and counties with over 100,000 population—and combinations of these. These cities and counties will receive federal grants to establish local employment and training programs.

For public employment—those jobs located within municipalities—the new law requires that \$250 million be reserved for fiscal 1974, and \$350 million be reserved for fiscal 1975.

The Comprehensive Employment and Training Act eliminates most of the provisions of its predecessors such as the Manpower Development and Training Act and the Economic Opportunity Act.

The new Act provides money for comprehensive manpower services such as employment counseling, testing, and job placement—classroom

skill training and remedial education—on-the-job training with public and private employers—work experience and public service employment—and ancillary services like child-care assistance, health services, and allowances.

Other money in the act goes for transitional public service employment in areas of substantial unemployment—those areas with 6.5 percent unemployment rates for three consecutive months.

Additional provisions of the Act authorize the Secretary of Labor to provide manpower services to especially needy segments of the population, such as migrants and Indians, to conduct research, technical assistance, evaluation, labor market information and computerized job placement.

The Comprehensive Employment and Training Act also sets up a national commission for manpower policy and asks the Secretary of Labor to study the impact of the energy shortage on manpower needs.

The Act also covers such general provisions as prohibition of discrimination and political activity and regulation of conditions of work and training. It will be administered by the Manpower Administration's Office of Manpower Development Programs.

So, another act to provide employment and training to American workers is on the national job scene. Still in its preparatory stages in North Carolina, the Comprehensive Employment and Training Act will provide direct federal grants to North Carolina communities—so local people can run their own manpower programs, or at least have closer touch with their local manpower needs and how the money is spent to improve them.



# LAW PREVENTS DISCRIMINATION IN OLDER WORKER HIRING PRACTICES

By RALPH FAULKNER  
Supervisor, ESC Older Worker Program

The term "older worker" means different things to different people, depending upon their background and their point of view. For example, an *employer* may think of older workers as employees who are near retirement age who will soon be making room for promotion of his younger workers. A *social worker* may think of older workers as people who have problems of family rejection and need welfare service and something useful to do with their spare time. Most young people have a different concept of age than their elders. In the employment service an older worker is an applicant who is having difficulty getting or keeping a job principally because of his age or because of characteristics ordinarily associated with age.

In 1967, the Congress of the United States enacted Public Law 90-202 entitled The Age Discrimination In Employment Act of 1967. This law became effective June 12, 1968, and was passed to promote the employment of the older worker based on ability rather than age; to prohibit arbitrary age discrimination in employment; and to help employers and employees find ways to meet problems arising from the impact of age on employment.

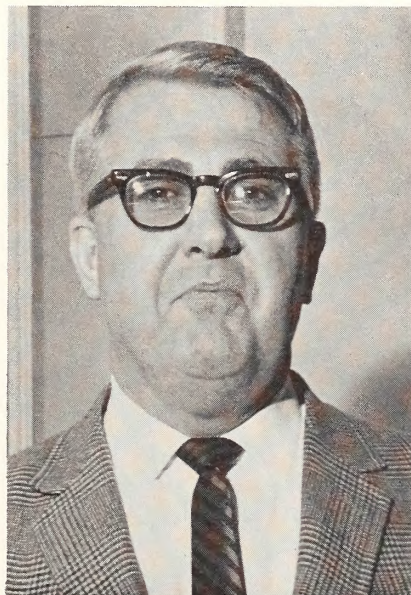
The law prohibits employers of 25 or more persons in an industry affecting interstate commerce to (1) fail or refuse to hire, or to discharge, or otherwise discriminate against any individual as to compensation, terms, conditions, or privileges of employment, because of age; (2) to limit, segregate, or classify his employees so as to deprive any individual of employment opportunities, or adversely affect his status as an employee, because of age; (3) to reduce the wage rate of any employee in order to comply with the Act.

The law prohibits an employment agency to (1) fail or refuse to refer for employment, or (2) otherwise discriminate against, any individual because of age, or to classify or refer anyone for employment on the basis of age.

The law prohibits labor organizations with 25 or more members in an industry affecting interstate commerce to (1) discriminate against anyone because of age by excluding or expelling or classifying its membership on the basis of age, or by other means; (2) to fail or refuse to refer anyone for employment so as to result in a deprivation or limitation of employment opportunities or otherwise adversely affect the individual's status as an employee because of age; (3) to cause or attempt to cause an employer to discriminate against any individual because of age.

It is a violation for employers, employment agencies, or labor organizations to (1) discriminate against a person for opposing a practice made unlawful by the Act, or for making a charge, assisting, or participating in any investigation, proceeding, or litigation under it; (2) to use printed or published notices or advertisements indicating any preference, limitation, specification, or discrimination, based on age.

In addition to exempting employers with fewer than 25 employees, The Age Discrimination In Employment Act is



FAULKNER

interpreted to mean that the term "employer" does not include the United States, a corporation wholly owned by the Government of the United States, or a state or a political subdivision thereof. By this interpretation, all government agencies from our national capital to the smallest form of local government are exempt from the law.

Occasionally an employer will tell our local office representative that the job openings he has require a certain type of individual due to the physical requirements of this job. This is what is known as "bona fide occupational qualification." The burden of proof that age is a bona fide occupational qualification is the responsibility of the employer, the employment agency, or the labor organization which relies upon it.

Under The Age Discrimination In Employment Act of 1967, whether age is a bona fide occupational qualification is determined solely by the Wage and Hour Division of the U.S. Department of Labor. The concept of age as a bona fide occupational qualification is being very narrowly construed by WHD. Local Employment Security Commission offices may make referrals on orders containing an age specification only when WHD has established age as a bona fide occupational qualification in the particular case. To date, age has been determined to be a bona fide occupational qualification in the case of certain federal statutory or regulatory limitations, such as the Federal Aviation Agency's regulations requiring the mandatory retirement at age 60 of airline pilots engaged in carrier operations as pilots. Age has also been determined to be a bona fide occupational qualification in the case of actors required for youthful or elderly characterizations or roles, and persons used to advertise or promote the sale of products designed for either youthful or elderly consumers.

Local employment offices will accept job orders which specify age limitations in violation of the act when age has not been determined by WHD to be a bona fide occupational qualification. However, if such a job order is received, the local office should advise the employer that the age limitation on the order appears to violate the act and that the job order cannot be filled and applicants cannot be referred unless:

a. A determination that age is a bona fide occupational qualification is obtained by the employer from the Administrator of the WHD; or

b. The age limitation is withdrawn with the understanding that selection from among available candidates will



be without regard to age, whether the candidate was obtained through the employment service or some other source.

The WHD has also ruled that certified apprenticeships have been excluded from prohibitions exempted by Congress. The ruling observed that entry into most apprenticeship programs has traditionally been limited to youth under specified ages. This is in recognition of the fact that apprenticeship is an extension of the educational process to prepare young men and women for skilled employment.

We in the public employment service must be concerned with the problems faced by the older worker, for his sake, for the sake of the economy as a whole, and for our own self-interest. The plight of the person "too old" for current job openings and *too young* to retire is one we cannot afford to ignore. With knowledge of the extent of the problem, the qualifications and favorable attributes of older workers, and the industrial and labor situation in the community, we in the employment service must effectively employ techniques to facilitate the employment of older applicants.

Policies of the employment service as applied particularly to older workers are:

1. To accept an application from any applicant, legally qualified to work, without regard to age.

2. To provide such services to older workers as are necessary to promote for them equal opportunity for employment in competition with other workers of similar qualifications.

3. To determine the occupational qualifications of older workers by obtaining and recording complete information concerning their work experience, and to assign classifications which will reflect adequately their qualifications for suitable placement.

4. To provide such specialized services as are necessary to assist older workers presenting special problems in determining or finding suitable employment.

5. To give full consideration to qualifications of older workers with respect to *all openings* for which they are qualified.

6. To engage in educational programs with employers; employer groups, labor unions, and the community for the purpose of increasing employment opportunities for older workers.

7. To coordinate its activities in behalf of older workers with those of

# UNEMPLOYED WORKERS CAN FILE U.I. CLAIMS ACROSS STATE LINES

By WILLIAM SUMNER  
ESC Interstate Claims Unit

North Carolina is one of the 50 states that subscribes to the Interstate Benefit Payment Plan. It is interesting to note that the District of Columbia, Puerto Rico, the Virgin Islands, and Canada also participate.

The plan provides for the filing of unemployment insurance claims in one state for benefit rights based on wages accrued in another state. It operates under a system whereby the state in which claims are filed (the agent state) mails the claims with any related documents to the state in which wage credits have accrued (the liable state).

The function of the agent state is to take the claims, question the claimant to secure facts and information for the liable state—North Carolina in this instance. The function of the liable state is to determine eligibility and pay benefits. The claims are known as Interstate Claims, and all subscribers to the plan use uniform claims and subsidiary forms.

## New Initial Claims

Claims mailed to North Carolina are received in the Claims Department of the Unemployment Insurance Division



SUMNER

and are routed to its Interstate Claims Unit where they are opened by a clerk, stamped (date received), counted, and separated according to kind of claim.

There are three kinds of interstate claims: new initial, additional initial, and continued interstate claim. The unit supervisor makes a preliminary review of the new and additional initial claims (Form IB-1). Those claims requiring action are pulled and routed to a typist who will prepare in duplicate a Form NCUI 523, Separation Notice, and mail the original to the claimant's last reported employer. The duplicate is stapled to the claim and is discarded upon receipt of its original from the employer. The form identifies the claimant to the employer and notifies him that a former employee has filed a claim for unemployment insurance. He is requested to give the reason for the employee's leaving and date. Those claims not requiring this action are temporarily retained by the unit supervisor pending the return of those from the typist.

Both groups of new claims are given to a claims examiner for processing and batching in numbered block folders to be routed to the Data Processing Unit for an individual Wage Transcript and Monetary Determination. During the course of processing, those claims stating "other than lack of work" are marked "Claims Deputy" to be later referred to him on the issue of claimant's separation from employment.

## Wage Transcript and Monetary Determination

When the new initial claims have been returned to the unit with their wage transcript and monetary determinations in triplicate, the clerk mails a copy to the claimant and to the agent state office. The determination shows his wage credits and notifies him whether or not he has established a benefit year. The third copy is stapled to the new claim, to form his claim

See OLDER WORKER, Page 27



assembly, and is inserted in a folder with the claimant's social security account number thereon. It is at this point that the marked claims are prepared for referral to the claims deputy. An attached Form IB-11, Fact Finding Report, which has been with the claim since its arrival, contains important and relative information for that official. Those claims not establishing a benefit year remain in the block folder, to which they were originally assigned, and are filed with blocked intrastate claims.

#### **Additional Initial Claims**

The additional initial claim has four primary functions: (1) It reopens the claimant's claim following a period of disqualification which was imposed by the claims deputy. (2) It reactivates his claim if the claimant has discontinued filing. (3) It reactivates his claim record following intervening employment. (4) It establishes an interstate claim for the claimant who has moved to the agent state from North Carolina and who had been filing intrastate claims.

With these claims, the clerk pulls the claimants' records from the unit file and batches them together for a claims examiner whose responsibility it is to take any appropriate action deemed necessary for their correct and complete processing.

#### **Continued Interstate Claims**

Perhaps the most important claim, certainly from the viewpoint of its beneficiary, is the continued interstate claim, for it is from this claim that payment of benefits are authorized or denied.

After these claims have been assembled, the claims examiners will process them to determine the claimants' rights to unemployment insurance for the specified week, based on submitted information which will sometimes include attached documents containing supplemental information. Such a document would be an Interstate Claim Supplement, Form IB-10, due not later than with the second continued claim following the new or additional initial claim. The attachment may be another Fact Finding Report, if it is felt necessary by the agent state.

If from the examination the claims examiner feels justified to authorize payment, he or she notes the claim and posts its week-ending date on an easily recognized payorder form, NCUI 506-A. These forms are grouped by week-ending date and are routed to the intrastate unit to be included with similar forms ready for payment.

There are a few established issues preventing immediate payment of benefits: a question of the claimant's availability for employment, any refused job offers, limited or no-work search, and late reporting/filing. When one of these issues is reported by the agent state office or there is a possibility raised in the mind of the claims examiner, she prepares the claimant's entire record file for a referral to the claims deputy, who will render a formal determination covering the issue. If at the time of the referral prevailing facts are insufficient for the claims deputy, the claims examiner will request additional facts by means of the Form IB-13, Interstate Memorandum.

Then there are those continued claims which are incomplete or are submitted incorrectly. These errors necessitate a delay of payment. The claims examiner returns these claims by the same means, this time perhaps with the Form IB-13a, a questionnaire. If after a period of 15 days the agent state office has not responded, a copy of the memorandum is pulled from a follow-up file and a second request is sent along with this copy. Letters from employers and claimants inquiring about claims filed are referred to the Correspondence and Adjustment Unit with the claimant's record file for answering.

#### **Conclusion and A Personal Observation**

There is much work of a miscellaneous nature required of the unit for it to successfully operate: seeing that claims are promptly processed in a minimum amount of time, working closely with the claims deputy exchanging ideas and opinions, maintaining current files correctly and easily accessible, purging those files regularly that have become inactive (benefit year ended or wage credits exhausted), and keeping required daily and monthly records for the department.

Any recommended changes in the program? Yes. Require the agent state to also determine eligibility and pay benefits! Who knows, this admittedly controversial idea may bring on further consideration and discussion.

#### **OES**

(Continued from Page 24)

Mail questionnaires to firms.

##### **C. Processing:**

1. Log-in all incoming questionnaires through a control procedure.

2. Manually review and edit all incoming questionnaires for completeness and accuracy.

3. Conduct follow-up mailings as well as follow-up visits and telephone calls for delinquents and also obtain corrected or missing information.

4. Participate with the Bureau of Labor Statistics in conducting a quality measurement program, including a response analysis survey.

5. Update the data file.

##### **D. Post Collection Clean Up Activities:**

Complete all data file screening including verifying benchmarks and weights. Make benchmark and weight adjustments as needed.

##### **E. Estimates:**

1. Tabulate survey data and compute State and area estimates in accordance with prescribed procedures. Calculate variance for each occupation estimate.

2. Review all State and area estimates for reasonableness. Investigate and correct all obvious errors or inconsistencies.

3. Prepare data file tape and list estimates for validation and "Data Bank" purposes.

4. Analyze final estimates and prepare publication material after validation of estimates by BLS.

5. Disseminate validated data and published analyses. Answer special requests. Foster appropriate interpretation and utilization of survey findings for manpower and employment service planning and operations, and for vocational education planning.

#### **OLDER WORKER**

(Continued from Page 26)

other groups and agencies serving older persons, and to cooperate with such groups and agencies in order to render the most effective service possible for older workers.

For years many preconceived ideas about older workers have existed. The older worker, if given the opportunity, will prove that most of these ideas are erroneous. Employers in North Carolina are very willing to hire the older worker because older workers have proven that they are more stable, loyal, reliable, possess a greater will to work, have a greater sense of responsibility, have fewer off-the-job problems and distractions, have a more stabilizing influence on younger workers and display a more serious attitude toward their job.

Even though The Age Discrimination In Employment Act tells the employer what he can and cannot do, it is very gratifying to see employers throughout our State hiring the older worker because of his qualifications and not his age.



# ESC People...places...



The N.C. chapter of the International Association of Personnel in Employment Security held its annual convention this year in Banner Elk. In the photograph are new IAPES State President Jack Edwards [left], and President-Elect Herb Campbell. Norma Bowen is with Herb at the speaker's stand and International President Cecil Malone of Arkansas is seated.

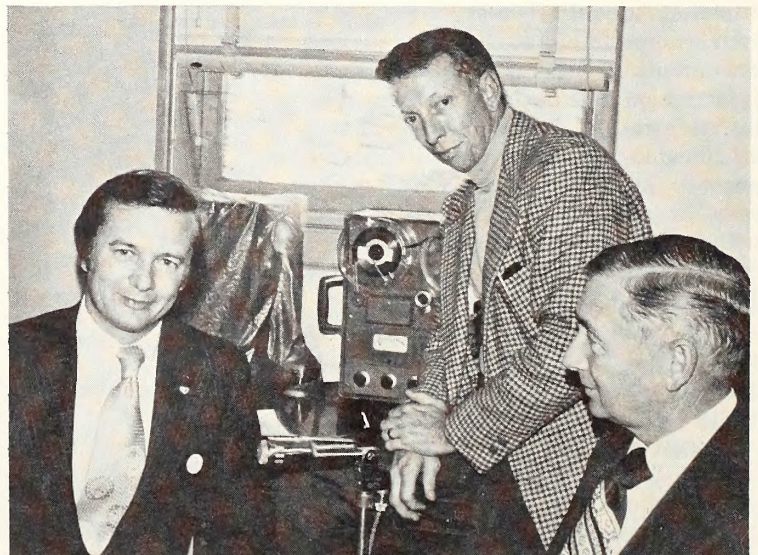


Nearly 200 people turned out at the retirement banquet given in honor of Colonel Henry E. Kendall after he completed 27 years as ESC Chairman. In the photo are Governor Holshouser, seated; Marvin Burton, who MCed the banquet; and Colonel Kendall, who displays his membership card in the Commission's 20-year-club.



National Commander Ray Soden of the Veterans of Foreign Wars presents his organization's annual award for outstanding services to veterans to the Sanford ESC office. Bob Mooneyham [center] is the office manager and Lynn Hunt is the veterans' employment representative [right] stationed in Sanford.

Lt. Governor Jim Hunt [left] is pictured in the ESC public information office with PIO Ted Davis and Assistant State Veterans' Employment Representative Lawrence Britt. Hunt came by the office to cut 30-second radio spots endorsing the State's efforts to find jobs for veterans. The spots were then dubbed by the information office and made available to radio stations.

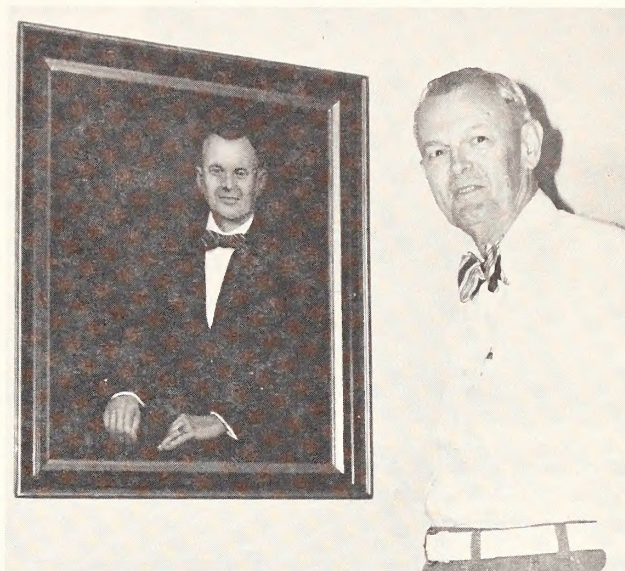




# events...and things...



Al Payne [center] is sworn in by Marvin Burton as Asst. State Veterans Employment Representative for N.C. as ESC Chairman Manfred Emmrich observes.



Retired ESC Chairman Henry E. Kendall poses before an oil portrait commissioned with funds donated by employees of the ESC as a gift to Kendall after 27 years with the agency.



ESC Chairman Manfred Emmrich [right] is sworn in as a member of the N.C. Manpower Council. In the photo are [L to R] Judge James Bailey, Carolyn Gardner, John Bethel, Dr. Benjamin Fountain, Rosa Allen and Henry Hayes.



ESC occupational analyst Foy Biggers receives a citation from the President's Committee on Employment of the Handicapped for his work in developing tests for the deaf. Paul Messmer makes the award.



Interviewer Hank Byrne [seated] and Washington ESC manager Jim Crooks participate in a job fair for high school seniors at Beaufort County Technical Institute. The fair was co-sponsored by the Washington ESC and about 500 students from surrounding counties attended the event.



# ...and service certificates



Alvis Jordan receives her 29-year retirement certificate from Employment Service chief John Fleming.

A 20-year certificate went to Kathleen Booker, Bryson City, from area supervisor Phil Penland [left] and manager Ed Guy.



Winston-Salem manager Grover Teeter [below] and area supervisor Ben Johnson award Narvie Larke her 29-year retirement certificate.



Addressograph unit supervisor Frank Nine [below] presents her 20-year certificate to equipment operator Nettie Johnson.



Leonard Wood of the ESC business office gets his 20-year certificate from Administrative Services Director John Allen.





# ...and more certificates



**Jack Warren, Mt. Airy, receives his 30-year service certificate from Area Supervisor Ben Johnson [left] and local office manager Dave Johnson.**



**A 20-year certificate to Fannie Miller from Chief of Benefits Ted Whitley.**

**Hendersonville's Clyde Taylor, a 29-year retirement certificate from manager Jack Murdock [left] and area supervisor Phil Penland.**



**Glen Helms, Statesville, receives his 20-year certificate from area supervisor Ben Johnson [right] and office manager Wade Wilson.**

**A 20-year certificate to High Point's Mildred Faduma from area supervisor Jim Filipski [left] and manager Bill Hollar.**





# ADDRESSOGRAPH UNIT SMALL, BUT SERVES VITAL ROLE

By CAROL WILLIAMS

Before the Employment Security Commission had its own computer operating within its Central Office in Raleigh, about 20 employees in the Addressograph Unit were responsible for processing and disbursement of approximately 750,000 unemployment insurance checks every year.

Now the Commission computer pays benefits to and keeps records on claims for unemployment insurance made by discharged servicemen, former federal employees and the unemployed public.

The Addressograph Unit is composed of three employees now, Frank Nine, Nettie Johnson, and Dora Mangum. Yet they still write almost 100,000 checks a year, checks received by students participating in vocational training through the federal Manpower Development and Training Act.

In addition, the three address every envelope sent out by the Commission except for window envelopes and typewritten envelopes.

Addressing equipment supervisor Frank Nine explains the operation of the unit: "Addressing equipment operator Nettie Johnson is responsible for the addressing equipment operations. Among other things, addressographed envelopes are used for the **ESC Quarterly**, the Employment Service's Topnotch and Topflight bulletin which lists job applicants trained for particular jobs, and

envelopes for a variety of forms and letters for Business Management and Personnel departments, local offices, tax auditors, claims deputies, field representatives, and appeals deputies."

Addressograph plates are first stamped out on a typewriter-like machine called the graphotype. These metal addressograph plates are constantly updated as there are revisions of the various mailing lists. Each plate is fitted into a small frame and then stacked on the side of the addressograph machine. When the machine runs, the plates slide one by one through the machine and a silk ribbon runs across the plate and produces the lettering on the envelope.

The Benefit Disbursement function of the Addressograph Unit is not concerned with envelopes at all, but rather with checks. Bookkeeping machine operator Dora Mangum works with Frank Nine on the machinewriting of checks sent to those participating in training under the Manpower and Development Training Act. Weekly checks are mailed to trainees attending technical institutions under the program. The Data Processing Department prints the names, addresses, and cities on the checks. They send the checks along with pay orders and the ledgers (records of how many times each trainee drew checks and for what amount) to Frank Nine. The first

step is proofreading to see that the name, pay order, and ledger are correct and are put in the proper order. After proofreading, Nine makes up a daily log, listing the batch number, the number of checks in the batch, the numbers of the first and last check in the batch, and the total amount of money in the batch. The log is used later for double-checking.

A journal is made up to go with the checks after they have been proofread and noted on the log. Then the batch of work goes to the check-writing machine where check numbers and the amounts of money are put on the checks. At the same time, a carbon records the numbers and amounts on both the journal and the individual ledgers.

When the batch of checks is written, the journal is totaled on the check-writing machine to find the combined amount for training allowance, subsistence allowance, and travel allowance. This total is compared to the batch sheet that came with the work and must be the same figure. The total from all the journals together must also be the same as the combined amounts recorded on the log. When all the figures balance out properly, the daily report is made out. One copy goes to the Accounting Department, one copy to Research and Statistics, one copy to the Data Processing Control Desk



Equipment operator Nettie Johnson operates the graphotype, punching out new addressograph plates for Commission mailings, while unit supervisor Frank Nine imprints addresses on envelopes using the addressograph machine.



along with the checks, and one is filed.

The checks go to the Key punch Unit, where the key punch operators punch out the amount of money onto the front of each check. Then the checks are run through the tabulating machine to see if the amounts balance out with the amounts on the log that was made up earlier. In other words, the tab machine computes the amount of money on all the checks put together.

Reconsideration cards, or records for the files, are punched out, listing the check numbers, Social Security numbers, and the amounts of money. These cards are kept and are later balanced against the checks when they are cancelled and returned from the banks.

The checks are returned to the Addressograph Unit where Nine addressographs the ESC Chairman's signature on the checks, and then they go to the duplicating room to be mailed.

Approximately 350 to 450 checks are prepared each day, since recipients are paid once a week during their training.

The Addressograph Unit is also responsible for stuffing the Quarterly Contributions Report forms which go to all employers in the State covered by the unemployment insurance program.

The Addressograph Unit's main concerns are efficiency and accuracy. Addressographing the envelopes means that typists in the agency are freed from typing the same lists week after week. Many errors are eliminated because, once stamped out, the metal plates are always correct. As for Benefit Disbursement, the constant re-checking of the numbers and figures means that the recipients of MDTA checks will receive their proper payment.

#### BRANDON

(Continued from Page 6)

received his degree in Business Administration from the University of North Carolina at Chapel Hill in 1949.

Beginning in 1955, the year Brandon joined the Commission, his career spanned 12 years as a Tax Auditor. In 1967, he became the Assistant Chief Accountant. He held the post of Chief Accountant from 1972 until his present promotion to Assistant Director.

Like Branham, Bob Brandon is a World War II veteran. Brandon served in the U.S. Infantry from 1943 to 1945.

## STATE EMPLOYEES RECEIVE JEWELRY AWARDS FOR SERVICE

By CAROL WILLIAMS

Former Governor Robert Scott came up with an idea which was the seed that later blossomed into a far-reaching service awards program for state government employees.

The Employment Security Commission is among the agencies now participating in the service awards program, a statewide project providing periodical awards of jewelry.

Employment Security Commission employees who had served at least five years with State government in June received the State Government Service Awards. They could choose from tie bars, tie tacks which doubled as lapel pins, brooches, bracelets, and necklaces. Each piece bears the North Carolina State Seal in 10 karat yellow gold mounted on a 10 karat white gold base.

Various jeweled chips denote the number of years of service to state government. A ruby chip signifies five years of service; two rubies, 10 years; and three rubies, 15 years. The awards continue in five-year increments: three blue sapphires are granted for 20 years of service, three emeralds for 25 years, and one diamond and two rubies for 30 years. Forty years of service entitle the employee to two diamonds and one ruby, while 45 years earn three diamonds and 50 years, four diamonds.

The jewelry does not vary from agency to agency. The same choice of jewelry is available and the same system of awarding the various jeweled chips set in the state seal is observed consistently in this program.

The jewels represent a recognition of

the service, dedication, and dependability of the employees receiving the awards.

When Robert Scott was governor, he made the suggestion to the State Personnel Department that an awards program be developed for employees of all state agencies. The State Personnel Board approved the program, which was announced December 15, 1972. In July of 1973, the program went into effect.

Although agencies volunteer to participate, most have already implemented the program.

The jewelry, of course, is available only to persons employed by state government and cannot be purchased.

The first distribution of the jewelry in the Employment Security Commission was made in June. Further distributions will be made twice a year.

The ESC alone spent about \$10,000 for its first supply of the jewelry.

The Employment Security Commission will continue to give its employees agency awards. Both a certificate and pin are awarded to each employee who has worked 20 years for the agency. Each employee who has served 30 years is awarded a 30-year certificate and pin.

An efficient system was devised for distributing jewelry to Commission employees. Department heads in the agency's central office made the distribution to the employees in their sections. The eight Area Supervisors overseeing the eight regional units of the various ESC local offices present the jewelry to employees in their districts.



Two of the most popular selections within the five items were the necklace for the ladies and the tie-tacks for the gents.



# SPECIAL DAY SET FOR VETERANS OF VIETNAM WAR

Friday, March 29, was Vietnam Veterans Day in North Carolina.

It was proclaimed by Governor Jim Holshouser as part of a nationwide observance to express gratitude to men and women who served in the armed forces during the Vietnam War.

In his proclamation the Governor urged "all Tar Heels to participate in ceremonies and observances that will be held to commemorate the personal sacrifices and distinctive service of North Carolina's veterans during 10 years of conflict."

He said there are more than 143,000 North Carolinians who served in armed forces who served in Vietnam during the 10-year period.

Said the Governor: "According to President Nixon, at present there are no plans to commemorate this date in subsequent years, as it is felt that all veterans will be honored in the future on the traditional Veterans Day in the fall."

In Raleigh, officials of the State Veterans Employment Service said they hoped Vietnam Veterans Day would remind the State of its employment responsibilities to veterans. Employment opportunities for veterans have improved each year, they reported, but state employment offices still have hundreds of job applications for veterans.

According to the VES, in the latter years of the Vietnam War, joblessness among veterans 20-24 years old reached above 12 percent. A concerted job-finding effort nationwide managed to lower this rate considerably and today unemployment among this group is slightly above the national adult rate.

"But there are plenty of veterans who need their rightful place in North Carolina's job market. These are the ones we're trying to help," reports the VES, "and hopefully, Vietnam Veterans Day helped us bring these applicants to the attention of local employers.

Veterans returning from the Vietnam War experienced much more difficulty finding civilian jobs than did veterans of the Korean conflict or those of World War II, according to VES officials.

## RETIREMENTS (Continued from Page 8)

—John Memory, an appeals deputy stationed in the central office, 36 years.

Together, they represent 340 years experience with the Employment Security Commission.

Another major retirement within the Employment Security Commission's headquarters in Raleigh occurred at the end of January when Lloyd Nooe left the agency after 35 years. He was Appeals Deputy Chief when he retired, a post he had held since 1972. In his 35 years with the ESC, Nooe worked as an interviewer, manager of the three local offices, a claims deputy and an appeals deputy. His assignments were in Mount Airy, Lexington, Greensboro, Spray, Concord, Raleigh, Asheville, Morganton and Greenville.

Nooe was succeeded as Chief Appeals Deputy by Blanch Beam, a 25-year veteran with the Employment Security Commission. He had worked as an interviewer, a claims deputy and as an appeals deputy in seven local office areas before taking the promotion to the ESC central office.

## COVERAGE (Continued from Page 12)

prepared for each State employer and both are mailed. The State employer is given 25 days in which to remit the total charges shown on the statement and list. The amount is entered on the State employer's account record.

These employers, as well as the employees, are subject to the provisions of the Employment Security Law and Commission Regulations concerning the submission of reports, forms, and the eligibility conditions for unemployment insurance. The employers, however, are not entitled to the noncharging provision of the Law since they are on a reimbursement basis.

Coverage of private non-profit institutions was also included in the amendments.

## HANDICAPPED (Continued from Page 20)

the way for the applicant by discussing his abilities and qualifications, as well as his handicap, with the employer. He will explain how the limitations of the handicap are not job limitations. He explains how the handicap may even be an asset in a job, such as deafness in a noisy work situation. The interviewer may also need to advise the applicant to stress his qualifications during his interview with the employer and avoid pleading because he needs a job.

When job orders are not available that meet the applicant's qualifications,

the interviewer's knowledge of the labor market, employers, and job requirements come into play. Our interviewers will then contact employers who would likely have job opportunities for our handicapped applicant. Job modification may be considered. If our handicapped applicant is willing to relocate and is qualified for a demand job, his application can be transmitted throughout the state or nation through the ESC Clearance Placement program.

With some 700 local office staff members, and over 20,000 new applicants a month seeking employment, serving the individualized needs of the handicapped is not an easy task. However, our local office staff members have looked upon the task of services to the handicapped as a welcome challenge and have performed well in fulfilling the responsibilities to this exceptional group of people. Our local office staff are continuously striving to change community attitudes by actively serving on Mayor's Committees, encouraging employers to adopt personnel policies favorable to the handicapped, and encouraging the handicapped to fill a productive and useful life. The efforts of our local offices in serving the employment needs of the handicapped resulted in nearly 8,000 handicapped citizens being placed by the Employment Security Commission during fiscal year 1973.

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# NEW RULINGS APPLY TO STATE EMPLOYEE RETIREMENT

An employee may retire when he is eligible and apply for retirement benefits from the Teachers' and State Employees' Retirement System or the Law Enforcement Officers' Benefit and Retirement Fund.

An employee shall retire or be terminated at the end of the calendar month in which the employee reaches age 65.

An employee who is a member of the **Law Enforcement Officers' Benefit and Retirement Fund** shall retire in accordance with the following:

A law enforcement officer or employee serving in an administrative or supervisory capacity or in work that does not require the physical characteristics of "first-line" law enforcement personnel shall retire at the end of the calendar month in which he reaches age 65.

"First-line" law enforcement personnel will retire at the end of the calendar month in which they reach age 55. Employment may be continued on a year-for-year basis until age 62 if it is determined by a physical examination that the employee's physical condition will permit him to meet the demands of his assigned duties. Such determination shall be made in accordance with an established medical evaluation program. An example of a suitable program is the physical examination program now established for employees of the State Highway Patrol. The Office of State Personnel will assist each agency having such employment to arrange for an adequate program.

**Medical Examination Procedure:** An employee will not be required to separate from State service because of age alone prior to reaching the ages stated above. However, the State recognizes its obligation to see that employees are not required to perform duties they are not physically qualified to do. Therefore, earlier retirement or termination may be necessary if, through established medical examination procedures, an employee is found not physically fit for the performance of his duties.

If the Agency Head has reason to believe that an employee is not physically capable of properly performing his assigned duties, he may require the employee to have a physical examination. In such cases, the following procedures will apply:

Upon request by an Agency Head, the Office of State Personnel, in cooperation with N.C. Memorial Hospital, will designate an internist

located in reasonable proximity to the employee's place of residence.

The Agency Head, upon receiving notice of the designated internist, will make an appointment for the examination and inform the employee as to the place and time.

The Agency Head shall prepare a detailed statement of the duties and responsibilities required of the employee and will forward such information to the N.C. Memorial Hospital.

Upon receipt of the internist's examination report by Memorial Hospital, a review and evaluation of the examination report will be made, taking into consideration the physical requirements of the job. Based upon this review Memorial Hospital will forward to the agency the results of their evaluation. This information will be included as part of the total administrative evaluation in reaching a decision concerning the employee's fitness for continued employment.

Members of the State Highway Patrol are subject to the physical fitness requirements as provided under the Medical Evaluation Program.

The cost of such physical examinations will be paid by the State agency.

**Critical Job Requirement:** At times an adequate supply of personnel may not be available to provide the highly professional services required of the State. In such cases, the State Personnel Board shall establish the specific job classifications identified with a critical shortage of qualified manpower. In identifying such classifications, the State Personnel Board shall include in its analysis and evaluation the needs of State government, the availability of qualified persons, and any geographical influences that may have a bearing on employment within a given area.

An employee occupying a job classification that has been established as critical statewide or in a given geographical area by the State Personnel Board may at the request of his department or agency head continue his employment beyond age 65 on a year-for-year basis.

**Re-employment:** When it is considered to be in the best interest of the State, a retired employee may be re-employed to serve in an advisory, consultant, or other type capacity for which the employee is qualified.

The retiree's compensation will be

arranged in such a way as to provide that his earning from work, when added to his retirement benefit, will not exceed the employee's average final compensation before retiring.

The compensation for a retired employee will be determined on the basis of the established salary range assigned the classification in which the retiree is employed. In order that a retired person may have some time for work and also time for retirement, it is not intended that employment will be on a full-time basis. Therefore, this policy provides that the annual salary normally paid for a full-time employee shall be prorated on a time-work basis. The work schedule for a retiree may then be arranged to provide that earning for time worked will not, when added to his retirement, exceed the average final compensation received prior to retirement.

## Example

Employee's average final compensation . . . . .	\$10,400
State retirement benefits . . . . .	5,000
Difference (amount employee may earn) . . . . .	\$ 5,400

Re-employed in salary grade 58, step 1 at \$6,252 (or \$546 per month)—Retiree's work schedule could cover approximately 10 months.

## Highway Patrol Sergeant

Average final compensation	\$11,880
State retirement benefits . . . . .	5,940
Amount employee may earn . . . . .	\$ 5,940

Re-employed as Driver Education Representative, salary grade 66, step 1 at \$8,988 (or \$749 per month)—Retiree's work schedule could cover approximately 8 months.

In the above examples, only the employee's retirement income from the State has been considered. If an employee elected to receive both State retirement and Social Security, the work schedule and the amount earned after re-employment must take into consideration the provisions on re-employment under Social Security.

Re-employment under Social Security provides that a retired worker under 72 can earn up to \$2400 a year and still collect full benefits. Above \$2400 the benefits would be reduced by \$1 for each \$2 the worker earns. However, salaried workers and those in self-employment can still collect their full benefits for any month in which they had wages of \$175 or less and were not active in self-employment.



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**EMPLOYMENT SECURITY COMMISSION OFFICES, ADDRESSES, MANAGERS, POINTS SERVED**

**Note: Pt. or Pts. means point or points served on regular schedule from local office.**

**Ahoskie** — 107 N. Railroad St., Guerry Goode, Mgr., Pts. Gatesville, Murfreesboro.

**Albemarle**—117 West North St., Claude C. Whitley, Manager, Pt. Mount Gilead.

**Asheboro** — 328 Sunset Ave., John B. Brooks, Manager, Pt. Siler City.

**Asheville**—48 Grove St., Charles Erwin, Jr., Manager, Pt. Marshall.

**Boone** — Watauga Court House, James A. Moten, Mgr., Pts. Jefferson, Newland.

**Bryson City** — Mitchell Building, Everett Street, Ed Guy, Manager, Pts. Franklin, Cherokee.

**Burlington** — 336 W. Front St., Everett McNeilly, Manager, Pt. Yanceyville.

**Charlotte** — 112 W. First St., Dwight M. Leonard, Jr., Manager, Pt. Cornelius.

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**Durham**—516 N. Mangum St., Louis Berini, Manager, Pts. Chapel Hill, Hillsborough.

**Eden** — 338 W. Stadium Drive, Daniel M. Spence, Manager, Pt. Mayodan.

**Edenton**—709 N. Broad, Mrs. Alice Bond, Mgr., Pts. Hertford, Columbia.

**Elizabeth City** — 201 W. Ehringhaus St., Norman L. Pendleton, Manager, Pts. Manteo, Hatteras, Buxton, Ocracoke.

**Fayetteville** — 414 Ray Ave., Charles Burgess, Manager, Pts. Lillington, Raeford.

**Forest City** — 104 Yarbboro St., George H. Ashley, Manager.

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**High Point**—121 S. Hamilton St., William A. Hollar, Manager.

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